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AUTOMOBILE INSURANCE INSERT

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The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

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June 3, 1954

Inter-Regional May Take over SHO and Absorb Allied Lines

NYFIRO to Withhold Filings Temporarily, Advocates Orderly Course

New York Fire Insurance Rating Org. has indicated in a bulletin to members that while it was considering the filing of the Fireman's Fund's SHO form it learned that Inter-Regional Insurance Conference is considering the possibility of recommending SHO nationwide. Fireman's Fund consented to defer any action on the NYFIRO filing for it and NYFIRO is temporarily withholding any filings of the form until Inter-Regional has had time to review the subject.

NYFIRO notes that it would be in the better interest of the public and the business to have the matter of SHO take such an orderly course. The feeling of insurer members of Inter-Regional is that confusion in the field of householder forms has reached a point where an effort of this kind would have a stabilizing effect. Many companies have taken independent action to file the Fireman's Fund's special home owners comprehensive.

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In the meantime transfer of the operations of Allied Lines Assn. to Inter-Regional will be considered at a meeting of membrs of Allied Lines Assn. in New York City June 4. The step has been recommended by the executive committee of Allied Lines. It is understood that the staff of Allied Lines would transfer to Inter-Regional.

Allied Lines is an advisory rating organization except in California and District of Columbia and in Texas for rain. It was organized in 1947 to take over the activities of Sprinkler Leakage Conference, Eastern Tornado Insurance Assn. and Explosion Conference. It handles in addition water damage, riot, vandalism and malicious mischief, aircraft and vehicle damage, rain and earthquake, the latter except in California.

Limited functions of the association in Texas and District of Columbia would be transferred to small local organizations established for the purpose.

Underwriters Assn. of Middle Dept. Dissolves

Members of Underwriters Assn. of the Middle Department have voted to dissolve after more than 71 years of existence. This organization actually ceased active work in 1932 when its fire insurance rating functions were incorporated in Middle Department Assn. of Fire Underwriters.

With the progress of the fire insurance business, the Underwriters association has decided that field clubs throughout Pennsylvania would take over its activities.

A. H. Rust Elected President of State Farm

Adlai H. Rust was elected president of State Farm Mutual Automobile of Bloomington, Ill., this week to succeed the late R. P. Mecherle. A. W. Tompkins was elected a director. He is agency vice-president of State Farm and of the affiliated fire and life companies.

As president of State Farm, Mr. Rust is now chief executive officer of each of the three companies in the State Farm group—State Farm Mutual Automobile, State Farm Fire & Casualty and State Farm Life.

Adlai H. Rust

A. W. Tompkins

For several years he has been chairman of State Farm Life and State Farm F. & C. and he has for many years been treasurer of all three companies.

Mr. Rust started with State Farm in June of 1922 as the first executive associate of G. J. Mecherle, the founder. He was elected executive vice-president in 1934 and has served continuously in that capacity since then. He is a graduate of the law school of Illinois Wesleyan University and practiced law in Bloomington from 1914 to 1929, for eight of those years serving also on the faculty of Illinois Wesleyan.

When Mr. Rust joined the company in 1922, it had only 500 policyholders, while today the number exceeds 3,150,000. State Farm F. & C. and State Farm Life both were started while Mr. Rust was with the parent organization.

Automobile statistics and comment begin on page 37.

Roger Billings New Great American V-P on Pacific Coast

Roger D. Billings has been appointed a vice-president of the fire companies of Great American group to take charge of its Pacific department. He succeeds vice-president Herbert Ryman, who died suddenly May 27.

Roger D. Billings

Mr. Billings started with Great American at the home office of Detroit Fire & Marine in 1934 after graduation from Wabash college. He was transferred to the western department at Chicago in 1947 as agency superintendent. He was elected assistant secretary in 1948 and secretary in 1949. He was made a vice-president in 1952. He will be directly assisted by Secretary Addison A. Mankel. At present Mr. Billings is visiting the Pacific department office in San Francisco, accompanied by Executive Vice-President W. E. Newcomb from the home office in New York.

NAIC Unit Has Major and Minor Reports on Reinsurance

The subcommittee on reinsurance of National Assn. of Insurance Commissioners has prepared for presentation at the Detroit meeting the week of June 7 a majority and minority report. Commissioner Leslie of Pennsylvania, chairman of the subcommittee, and Commissioner Hammel of Nevada, signed the majority report which reaffirms the stand taken by the subcommittee Nov. 21, 1951.

Commissioner Bisson of Rhode Island, the other member of the subcommittee, recommends in a minority report that NAIC adopt in principle the conclusions of the Bruce report, with the understanding that the commissioner of each state take such action as is indicated by his statutes and problems

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F. C. & S. Bulletins Service Passes Quarter Century

Dwelling Forms, Developments of 25 Years Reviewed

The *Fire, Casualty & Surety Bulletins* of THE NATIONAL UNDERWRITER will celebrate their 25th anniversary with the June issue, which appears next week. An extra large issue, devoted primarily to discussions of the many broad dwelling forms now on the market, and a special letter reviewing developments of the past 25 years commemorate this anniversary. The letter points out that topics featured in this issue could not have been foreseen when the first issue was mailed in June, 1929.

From a very modest beginning, and despite the fact that its growth was plagued by the depression after its first few months, the monthly bulletin service has grown to almost 22,000 subscribers and to a position of unique authority and acceptance in matters of insurance coverages. It has even been cited by courts in insurance cases. Modeled originally on the older and successful *Diamond Life Bulletins* and *Accident & Health Bulletins*, the *F. C. & S. Bulletins* were for a long time an ambition of the late E. Jay Wohlgemuth, founder and first president of the National Underwriter Co.

C. R. Hebble, the first editor, had a background of field and local agency experience in Cincinnati and had edited the first casualty and surety training course of the National Underwriter Co. He guided the service through the difficult first four and a half years until his sudden death late in 1933. He was succeeded by James C. O'Connor, the present editor, who, although considerably younger, had publishing, agency and field experience. Mr. O'Connor edited the Bulletins from Chicago until 1947, when he transferred to the home office of the company at Cincinnati. Bernard P. McMackin, Jr., has been assistant editor since 1951 and Robert C. Dauer editorial assistant since 1952.

This editorial group, which also includes William B. Bogel, editor of the *Accident & Health Bulletins* and the *Time Saver*, is responsible for several other publications, including the annual *Agent's & Buyer's Guide* and the *Insurance Buyers Digest*, as well as books and other aids in the fire, casualty and accident field which appear from time to time.

Gold Wins Nomination to Fill Out N. C. Term

Commissioner Gold of North Carolina has won the Democratic nomination for the balance of the term to which he was appointed after the resignation of Waldo C. Cheek. The term has two years to run. Mr. Gold defeated John F. Fletcher, former manager of North Carolina automobile rate administrative office.

Late News Bulletins . . .

Uphold Responsibility of Dealer for Auto

Kentucky court of appeals has upheld a decision of that court and ordered immediately into effect the ruling that a used car dealer is responsible for the condition of the automobile he sells.

The dealer must exercise reasonable care in inspecting vehicles he sells in order to determine any defects. Failure to discover a mechanical defect that later results in an accident makes the dealer liable for damages. The case involved Gaidry Motors of Lexington and William Hensley, who purchased from the dealer a used car on which defective brakes subsequently caused an accident in which a pedestrian was injured. The jury award in lower court was $11,489.

$1 Million Fire in New Jersey

The insurance loss on the fire at Edgewater, N. J., which destroyed about 250 new Ford automobiles, three warehouses and two piers may run as much as $1 million. This was a shipping point for the automobiles, which are understood to be covered under a floater policy in London Lloyds. The automobile

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Report Wide Range of Producer Opinion on Broad Dwelling Cover

After a slow start, the field of broadened dwelling risks protection has become almost suddenly a lively subject. It has succeeded in diverting attention—at least temporarily—from the insurance man's automobile insurance troubles.

This upsurge of interest probably follows from a number of comparatively recent developments. Early this year, the *all risks* dwelling form popularly known as SHO was filed by a number of companies in many states. Inter-Regional Insurance Conference announced a few weeks ago that it is recommending a new *named perils* form, modeled on but going somewhat beyond the broad dwelling form which has become popular on the Pacific Coast. The new Inter-Regional contract will be known as the dwelling buildings and contents broad form.

And there have been significant developments in the *package policy* field. A new package is being recommended by Interbureau Insurance Advisory Group and, in addition to reports of increased sales of the Multiple Peril Insurance Rating Organization's homeowners policies A and B, there is the news that Transportation Insurance Rating Bureau is now filing the MPIRO contracts for its members.

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What do insurance producers think about the present situation? Reaction ranges from loud complaint against the confusion they say is produced by too many different forms to enthusiastic approval of the idea of many forms—on the ground that this supplies the insurance man with more equipment to meet the differing needs of his customer.

To report on producer-thinking, the editors of *The Fire, Casualty and Surety Bulletins* of THE NATIONAL UNDERWRITER reached scores of insurance agents and brokers in every section of the country—whether or not any form of broader coverage was available in a territory.

Many insurance men were worked up about confusion. Two producers in Pennsylvania—where the MPIRO homeowners package policies have been widely sold—said they fear the effects of these developments on customer relations. One of these warned against unscrupulous use of these forms by some producers.

An Iowa agent pointed out that these developments were just reaching his state, but had already caused him severe competitive problems. Producers in many localities expressed about the same feeling as an Illinois insurance man, who said: "It is my intention to proceed with caution. From a competitive standpoint, I cannot afford to sit back and wait. On the other hand, I hope not to be placed in the position of having sold this month merchandise that proves to be obsolete next month."

Package policies, said another Pennsylvanian, are here to stay. And a producer in Alabama pointed out that broadened dwelling protection is in a nebulous stage in his state but he thinks the variation in contracts is going to be to his advantage rather than otherwise. "I think it is essential that we point out to people that there

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Curray Chairman, Blaise President of Inter-Ocean Re

Roy E. Curray, president of Inter-Ocean Reinsurance, has been elected chairman of the board, and Karl P. Blaise was advanced from vice-president and secretary to president. The

K. P. Blaise

Roy E. Curray

directors, meeting last week at the home office, also elected Everett Obrecht as vice-president and secretary.

The board authorized closing of the company's New York City office effective June 30, and Donald R. MacKay, who has been in charge there, will move to the home office. The office was closed because the directors deemed it unnecessary to continue it in view of improved communication and travel facilities.

Mr. Curray, the new chairman of Inter-Ocean, became president of the company in 1932, succeeding the late Dr. Richard Lord. Mr. Blaise, who joined the company in 1929, became vice-president and secretary in 1932. Mr. Obrecht started with the company in 1932, and has been vice-president and assistant secretary since 1939.

Mr. MacKay, who goes to Cedar Rapids as vice-president and assistant secretary, started with Inter-Ocean in 1936.

Kemper Warns Traffic Injuries Are Rising

Although the estimated nationwide traffic death total took a turn downward during the first quarter of 1954, indications are that the number of injuries has been rising steadily, Hathaway G. Kemper, president of Lumbermens Mutual Casualty Co., told company policyholders at their annual meeting.

Solution of the traffic problem depends on the attitude of the individual motorist, Mr. Kemper said. He added "people can't drive recklessly and discourteously in high-powered cars, attempt to fix traffic tickets, pride themselves on the speed of their new automobiles and at the same time expect reduced deaths and accidents."

Mr. Kemper called for rigid law enforcement, strict driver licensing, uniform traffic regulations, engineering of safer streets and highways and good financial responsibility laws.

Reporting on financial results of 1953, Mr. Kemper said the company had a record-breaking year in every respect. Assets, premiums and dividends to policy holders reached new highs.

Fellowship Program of AAUTI Explained

The benefits of the fellowship program of American Assn. of University Teachers of Insurance were outlined by Laurence J. Ackerman of the University of Connecticut, chairman of the coordinating committee of AAUTI, at Insurance Companies Educational Directors' Society at Skytop, Pa.

Letters from teachers who have had the fellowships indicate that among the benefits are the advantage of having such sources for teaching aids as well as for special research projects, and realization of the everyday problems of the people in the business so they are better able to advise students seeking insurance careers.

He said there has been some trouble with professors who make secret placement deals for their students and then bring pressure on the coordinating committee for official sanction. Also, some fellows are not prompt in giving notice of withdrawal. Fellows would also like earlier notification of appointments and a more careful orientation of individual department heads as to the purpose of the program. They would also like to receive, in advance, a formal activity schedule of the program.

Hartford A. & I. Advances Jackson at Pittsburgh

E. C. Jackson has been appointed assistant manager at Pittsburgh branch office by Hartford Accident. He has been with the Pittsburgh office throughout his 21 years with the company. He was an underwriter from 1933 to 1940, when he was appointed special agent. Subsequently he advanced to superintendent of the casualty department and in 1951 was made superintendent of agencies.

New officers of **Columbia (S. C.) Assn. of Insurance Women** are Miss Mabel Ruth Bird, president; Miss Dorothy Skinner, vice-president; Mrs. James Bennett, secretary; and Mrs. W. Sloan Bradford, treasurer. The executive committee is Mrs. J. M. Shackelford, Miss Ethel Kohler, Mrs. Robert Moorman, Jr., and Mrs. D. H. Lightsey.

Hindman & Davis, Los Angeles law firm specializing in insurance, moved to new offices in the Serano-Wilshire building.

F. C. & S. Silver Anniversary Issue Covers Home Packages, Broad Forms

Various special forms and policies have been introduced in past years to provide broader coverage for the dwelling risk. Recent months, however, have seen a veritable flurry of activity in this field. As a result, insurance men are at least somewhat confused.

As a substantial part of their 25th Anniversary Issue, off the presses this week, the editors of The Fire, Casualty and Surety Bulletins of THE NATIONAL UNDERWRITER *have gathered the facts of widened dwelling risks coverages.*

Here is a condensation of their discussion.

The forms and policies which make up the newly active field of broadened dwelling risks coverage are found to fall into three general categories. There are: (1) *all risks* forms, (2) *named perils* forms and (3) *package policies.*

In general, *each* of the contracts available or in the process of being made available covers the dwelling *building,* with some differences in the definition of building both in the underwriting rules and form provisions. *All* provide some form of coverage on *private structures* or *outbuildings*—either by a percentage extension of the building amount or as a specific amount (or both) on *rental value* and *additional living expense. Some* of these contracts include coverage, subject to certain limitations, on *tree shrubs, plants and lawns.* All are broader, *on the whole,* than a fire insurance policy containing a dwelling form, with extended coverage and additional extended coverage, plus rental value, additional living expense and trees, shrubs, plants and lawns endorsements.

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Only one of the *all risks contracts* provides coverage on *contents* or other personal property. However, *most* include coverage, with some variation as to particulars, on building service fixtures, outdoor equipment, etc. *Most* of the *named perils* forms may cover building, contents or both at the insured's option.

The third group—*package policies*—provides *named perils* coverage on buildings *and contents* plus comprehensive personal liability insurance and theft insurance. (There are also several package policies which include auto liability and physical damage coverage, but, these are limited as to their general availability and are not yet a major factor in the field.)

All Risks Forms

One of the *all risks* contracts is the special home owners comprehensive form—popularly known as the SHO "policy." It originated with a Pacific Coast company and was given a trial in a limited territory before being introduced, as it now has been, in a large number of states. Other insurers quickly followed suit, adopting the SHO form for themselves, and it has become a bureau form in a number of territories, with the distinct possibility that more local fire rating organizations will pick it up as time goes on.

In addition to the fact that it provides *all risks* protection, the outstanding thing about SHO is that coverage is on a replacement cost basis, i.e., with no depreciation deducted, if the insured carries an amount under the SHO form equal to or better than 80% of the replacement cost. If the amount of insurance does *not* come up to this figure, the company pays the larger of two amounts: (1) the actual cash value—i.e., with depreciation deducted; or (2) the proportion of the replacement cost of the damaged property which the amount of insurance bears to 80% of the replacement cost of the property insured.

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There is no time limit imposed upon the insured for restoring the property. However, he must rebuild on the same site in order to collect on a replacement cost basis. If he does not plan to rebuild, he can collect *actual cash value,* or, if he plans to rebuild later, he can collect actual cash value now and whatever additional amount he might have coming for replacement cost when he actually does go ahead.

In addition to the dwelling, the SHO contract covers up to 10% of the dwelling amount on outbuildings or other private structures, with the usual exclusions of commercial, farming or manufacturing uses and buildings rented entirely to others, except private garages rented to others. Another important extension is a combination of rental value and additional living expense insurance. These are limited to a total of 10% of the dwelling amount. (The rules authorize writing specific amounts of coverage.) Rental value and additional living expense definitions in the SHO form differ from the endorsements or some territories in that there is no limitation on the amount which may be collected in a given month, subject, of course, to the amount of the extension or specific insurance.

Any item of insured property which is away from the premises for preservation from imminent damage by a peril which would be covered or for repair following insured damage is covered for 30 days pro rate. Note that, unlike the corresponding provision in the fire policy, this feature covers for 30 days instead of five and covers removal for repair as well as preservation. This provision would apply, for example, when building service equipment damaged in a fire is at a repair shop, or if outdoor equipment is elsewhere to get it out of the path of an imminent windstorm. However, the extension would not provide coverage of theft of property away from the premises, because the theft exclusion of this form provides that property is not covered unless it is an integral part of the structure at the time of loss.

Trees, shrubs, plants and lawns are automatically covered—as an extension—but subject to an overall limit of 5% of the dwelling item and to a maximum of $250 per tree, shrub or plant. This extension is not on an *all risks* basis and is the only feature of SHO which is not. Insured perils are: fire, lightning, EC, collapse of a building, vandalism and malicious mischief and damage by burglars, but not damage to trees, shrubs, etc., taken from the premises.

The SHO form is subject to a $50 deductible. This may be removed for an extra charge, but the charge is relatively high and will undoubtedly discourage full coverage in many cases. The deductible applies to all losses except those resulting from fire, lightning, smoke, windstorm, hail, explosion, riot, civil commotion, aircraft, falling objects, vehicle damage, vandalism and malicious mischief, theft or attempted theft.

It is also inapplicable to landslide or collapse (including "partial collapse") and to rental value and additional living expense.

As with any *all risks* contract, the exclusions are the key to the scope of coverage. The SHO form excludes:

1. Damage to plumbing or heating systems and appliances or damage caused by leakage or overflow of these resulting from freezing if the building is vacant or unoccupied, unless the in-

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U. S. Insurers Can Do More, Even with Regulation: Cooke

Without Criticizing Controls, He Urges Meeting Need of Unusual Risk

NEW YORK—If American underwriters took a fresh look at the philosophy and objectives of underwriting with a willingness to discard a bit of tradition here and preconceived notion there, they could more readily meet the need of the insurance buyer who wants to cover a new business situation, Ben D. Cooke, chairman of B. D. Cooke & Partners, Ltd., London, and head of Agency Managers, Ltd., New York, told the insurance conference of American Management Assn. here.

He hastened to say that he was not criticizing insurance controls in the U. S., for they have been created in accordance with the necessities of insurance situations that have arisen in this country, many of which, because of the different origin of English insurance business, never confronted underwriters in Britain.

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In the U. S. are what amounts to 48 completely independent bureaus, each concerned with control of the business in each state. What one may do in one state, one may not be able to do in another. To do a comprehensive insurance business in this one country, one has to comply with about as many individual regulations, and satisfy as many insurance departments, as a British company would have to do in establishing offices throughout the rest of the entire world.

He said he was not critical of this departmentalized method of control. There are sound reasons for it. However, what is subject to criticism no matter where it may occur, is the stultification of original thinking in any industry if controls are imposed which tend to tie the industry into a straitjacket.

Properly imposed controls, for specific purposes, are good. Had it not been for the controls to which both countries were subjected during the war, it would have been impossible to fight, much less to win, the war. But there is a vast difference between controls designed to protect the con-

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Independents Elect Moore at Ill. Rally

Underwriting Managers' Council of Independent Casualty Insurers held its semi-annual two-day meeting at Springfield, Ill. This is the association of chief underwriting officers of 25 midwestern stock casualty insurance companies, which in general operate independently of the nationally known casualty rate making organizations. Officers are: President, Bernard W. Moore, United Fire & Casualty; vice-president, A. R. Stone, Hoosier Casualty, and secretary-treasurer, E. H. Morrison, Western Casualty & Surety.

There was a panel discussion on claim and underwriting problems, covering lack of and need for the full cooperation of separate underwriting and claim departments in each department releasing to the other all necessary information and the manner in which such information may be made readily and quickly available. Participants were Harold L. Andrews and Fred Saas of Buckeye Union, and G. R. Farmer and V. E. Vail of Central Standard Casualty.

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Weldon H. Harris of Insurance Co. of Texas delivered a paper on special problems of underwriting and exposure found currently in the automobile garage liability policy, and there were three other papers outlining the principal methods of company operations—branch office, general agents and direct writing—handled in that order by Fred W. Strouce, Hawkeye-Security; W. R. Green, Motor Vehicle Casualty; George C. Clarke, Manufacturers & Merchants Indemnity.

The second day there was another panel discussion concerning general questions pertaining to home office procedures, handling of special risks, and personal problems. Members were G. U. Blomholm, Anchor Casualty; J. C. Bishop, Ohio Farmers; W. H. Hauck, Great Northern, and A. F. Heine, Allstate.

The host company, Illinois National Casualty gave a cocktail party. There was also a banquet.

America Fore Names Ass't General Adjuster

Thomas W. Booth has been named assistant general adjuster of America Fore at the head office loss department at New York City. He has held a similar position with Commercial Union. He entered the business with that company and later was with Federal Bureau of Investigation. He is a graduate of the Wharton School and is a member of the New York bar.

Appraisers to Hear McKay

Gordon McKay, assistant manager of the service department of Home, will be one of the speakers at the seminar of American Society of Appraisers June 11 in New York City. The seminar is sponsored by the New York, Pittsburgh and Philadelphia chapters of the society. An insurance man, not yet announced, will take part in a panel discussion.

Elect at New Haven

New Haven Assn. of Insurance Agents has nominated William J. Murray for president, Stetson Ward vice-president and Leonard Fish secretary-treasurer. The election will be held in September.

Midwest Statistical Group Elects Wilcox

More than 130 insurance executives attended the annual meeting of Midwestern Statistical Service in May in Chicago at which the following officers were elected:

President, C. E. Wilcox, vice-president American States; vice-presidents, S. H. Glessner, Buckeye Union Casualty; H. H. Rhein, secretary, Automobile Club Inter-Insurance Exchange; N. L. Vermillion, general manager Farm Bureau Mutual of Michigan; Ward Wright, Farm Bureau Mutual; secretary, E. A. Hayes, Central States Mutual Ins. Assn., and treasurer, L. A. Trunck, president Western States Mutual Auto.

S. Alexander Bell of Chicago, who was re-appointed as manager, reported that the roster of members and subscribers has increased over last year from 158 to 165. Total premiums written countrywide for members and subscribers amounted to $1,198,883,059, the largest portion being in the automobile lines.

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The bureau conducted statistical calls in 14 of the 15 states in which it is licensed, collecting experience on 6,618,200 car years of exposure for policies in 1952. This represents approximately 41% of the registered private passenger vehicles in the 14 states in which calls were made and 29% of the registered commercial vehicles.

The members were welcomed by Deputy Commissioner Arthur Smith, representing Director Barrett of Illinois.

Harold E. Curry, vice-president and actuary, State Farm Mutual Auto, discussed "Statistical In-Breeding," strongly urging that the automobile insurance industry start a research program which would promulgate foresight rather than hindsight in the preparation of automobile insurance rates.

Other talks were made by: Russell H. Matthias, Meyers & Matthias, Chicago law firm, "Legal Developments in Insurance Rate Regulatory Legislation"; LeRoy J. Simon, actuary, Mutual Service Casualty, "Guideposts in a Statistical Jungle"; Mr. Bell analyzed "Integration of Accounting and Statistics in the Smaller Companies."

The meeting was followed by an informal cocktail party and dinner attended by a number of insurance department officials.

Beardsley Ends 31 Years With Western Adjustment

Regional Supervisor E. W. Beardsley of Sioux Falls, S. D., retired June 1 after nearly 31 years with Western Adjustment. A. V. Haerer, manager at North Platte, Neb., was appointed manager at Sioux Falls and regional supervisor for South Dakota.

On July 1, 1923, Mr. Beardsley joined Western Adjustment at Fargo, N. D. He was appointed manager at Sioux Falls on May 1, 1931, and became regional supervisor for South Dakota five years later.

Mr. Haerer joined Western in March 1930 in Chicago, was assigned to Topeka, Kan., in March of 1932 and later served at Salina. In June of 1937, he was appointed manager at North Platte, Neb.

Resident Adjuster M. D. Long of McCook, Neb., has been transferred to North Platte to succeed Mr. Haerer as manager. Adjuster G. M. Gann of the McCook staff has been appointed resident adjuster of that branch.

Bell Sounds Warning on Future of Auto Classification Plans

S. Alexander Bell, manager of Illinois Bureau of Casualty Insurers, in his address before the annual meeting of that organization at Springfield, Ill., last week, said the time has come for the automobile insurance business to stop, look and listen. He warned that refinement of the classification schedules will lead companies into conflict with the social aspects of automobile insurance, "for someone must insure even the undesirable risks and no one need insure the risk that presents no hazard."

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That is the potential danger in the continuous process of refining the classification schedule, Mr. Bell said. When the classifications reach a point where a large proportion of automobile owners can no longer afford to pay for their insurance, the social aspects of the problem will come to the fore and will inevitably bring political action. Such action has already started with the introduction of various compulsory bills, unsatisfied judgment laws and the sundry legislation confronting the business.

Mr. Bell reviewed the background of automobile insurance rating from the time it got to be big business in the 1920's, and said at this time the business has reached the point at which the preferred risk is generally in the custody of the direct writer. Some of the specialty agency companies are still able to hold a substantial volume of preferred business, but he said they are not sharing in the expansion of automobile premium volume nearly in proportion to the previous standing. The bureau companies even though they are now attempting to do by classification schedules what the direct writers have done, do not appear to be successful in it, since they do not have available to them the other weapons of direct writers—low acquisition costs and direct control over the business written.

"The way it looks, the next decade," Mr. Bell said, "if it lasts that long, will see the struggle no longer between the bureau and NAUA companies and the specialty agency and direct writer companies, but between the specialty agency companies and direct writers. As far as the conference companies are concerned, given their present method of operations, they will be reduced to sitting on the sidelines and to writing specialty risks rather than mine-run automobile insurance."

Mutual Executives Meet

Mutual insurance executives who held a three-day meeting at Utica, N. Y., included the board of federation of Mutual Insurance Cos. and representatives of American Mutual Alliance, National Assn. of Mutual Casualty Cos., and National Assn. of Automobile Mutual Insurance Cos. The sessions were held at the Utica Mutual Building rather than at Chicago, the usual site for the conference. John L. Train, president of Utica Mutual, was host.

Home Fire & Marine has declared a quarterly dividend of 40¢ per share on its capital stock, payable June 15, 1954, to stock of record June 7, 1954.

Bureau Panel Answers Questions on How to Get and Keep A&H Business

NEW YORK—Some interesting contrasts in methods of securing A&H business were brought out by the panel on agency management problems during the educational seminar here that was sponsored by Bureau of A&H Underwriters. For example, life companies that have used special representatives, or, as they are called in the casualty business, special agents, have found their efforts effective, but the life business still seems to regard them as a novel and unproved but promising means of promoting this business, especially the life insurers that are young in the A&H field.

Members of the panel were Rudolph C. Larson of Aetna Casualty, Wesley Jones of Mutual Life, Raymond B. Smith of Royal-Liverpool, Alfred D. Perkins of Union Mutual Life, and Robert J. Mueller of Washington National. Rex H. Anderson of New York Life moderated.

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In discussing today's market, Mr. Perkins said his company's short term business compares with what other companies new to the field are writing. About two-thirds of Union Mutual's A&H business is on short term forms.

The best occupations, for volume, are executives, including managers and supervisors; 16.5% of the company's business is written on this group, he said. Next come salesmen, all types, which account for 16% of the company's business; physicians and surgeons, 8.6%; merchants, 7.5%; dentists, 3.6%; carpenters, 2.7%; contractors, 2.7%, and attorneys, 2.3%.

Mr. Perkins said sales are good in some areas and not in others. In general hospitalization business is readily sold in rural areas but not in urban, by his company. In the New York City metropolitan area the company sells long term lost time coverage but little hospitalization.

Small claims, referred to by some companies as nuisance claims, are, from the agency point of view, important. There should be something in the policy that picks up small bills because it enables the new man to present a claim check with some frequency. This has helped his company make progress in A&H.

Mr. Larson, however, said his group has found claim checks little used by agents.

He said there is one demand for coverage his company is getting more and more often, key man protection where a third party, generally the employer, is the applicant. He predicted that this demand will increase.

G. S. Parker of Guardian Life suggested the company get the corporation to sign the application. He did not think the possibility that the corporation, which is usually the beneficiary in these cases, would dissolve poses much of a problem.

Mr. Anderson said he doesn't favor writing key man cover so the corporation is the beneficiary. The firm is under no obligation to pay the key employe's salary and thus a situation

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Sets Hearing to Probe Earthquake Insurance

In his investigation of the placing of first loss or primary earthquake insurance with non-admitted companies, Commissioner Maloney of California has called a public hearing for June 18 in San Francisco. He wants testimony and evidence on these questions:

"Is there a real market of admitted insurers in California from which first loss or primary earthquake insurance is available?

"Is there an established admitted market rate in California at which such insurance is available from such insurers which establishes rates below which such insurance may not be placed with non-admitted insurers under and pursuant to the provisions of Section 1763 of the California insurance code and Section 2143 of Title 10 of the California administrative code?"

He also lists a number of risks providing such insurance and asks if they have been placed with non-admitted insurers for the purpose of procuring a rate lower than the lowest rate which will b eaccepted by any admitted insurer.

At the same hearing Mr. Maloney will present a proposal to amend Section 2143 of Title 10 of the California administrative code to read:

"The writing of non-admitted earthquake insurance, including first loss or primary earthquake insurance, must be in conformity with the general rules and basic principles."

This amendment, if adopted, said the Commissioner, will result in first loss or primary earthquake insurance being subject to the same general rules and basic principles, including the submission rules, as are applicable to risks placed with non-admitted insurers.

North America Directors to Visit Springfield

Directors of North America, Philadelphia F. & M. and Indemnity of North America will visit Springfield, Mass., June 7 to inspect operations of the Springfield processing office and meet with civic and business leaders.

The processing office was opened last July by North America, which had purchased and modernized the building at State and Maple streets, formerly the property of Springfield F. & M. The opening of the office was another step in the group's program to decentralize operations to give agents and the public better and more efficient service. Manager is Algernon Roberts, assistant secretary-assistant treasurer of the companies.

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At present about 28% of the group's 15,000 shareholders reside in the New England area.

In 1953 the directors made a ten-day tour of the west coast and last March visited the south and southwest. It is their belief that first-hand observance of operations and the opportunity to exchange ideas and information with business leaders in various sections of the country are of great value in guiding company policy.

Officers of the group who will accompany the directors are Phillip H. Cooney, vice-president in charge of finance, Richard G. Osgood, vice-president in charge of business development, and J. Kenton Eisenbrey, secretary-treasurer.

Adjusters' Rally Is Set

National Assn. of Public Insurance Adjusters will have for a keynote speaker at its two-day annual meeting at the Hotel Roosevelt in New York City Governor McKeldin of Maryland. The convention will open on June 17 and will receive reports on legislation pending throughout the country pertaining to insurance. One of the highlights the next day will be Governor McKeldin's presentation to Joseph Supornick, an association member, the American Academy of Public Affairs award of merit for his success in adapting himself to the American way of life.

Norman Goodman of Baltimore is convention chairman.

New Pacific Empl'yers Office

Pacific Employers has opened a new branch office at 60 Park place, Newark. Among those on hand for the opening were Victor Montgomery, the president, who had just returned from a two-month trip to England and the continent during which time he visited London Lloyds and a number of reinsurance companies.

W. R. Van Nortwick is resident manger for Pacific Employers at Newark.

San Francisco Forum Picks Ralph H. Dreyer

Ralph H. Dreyer, Great American group, was elected president of the Insurance Forum of San Francisco, CPCU educational organization, at its May meeting. Others elected were: Glen A. Stackhouse, Liberty Mutual, vice-president; Robert E. Entriken, National Surety, secretary and Gilbert J. Reed, treasurer. Mr. Dreyer succeeds Watson Conner, Phoenix-London group.

Retrospective rating plans for WC, including the premium discount plan, were the subject for a discussion at the meeting. Interest in the subject in California is increasingly high following approval of the commissioner's order of two years ago by the courts, although the group of companies, mostly the California participating companies, have carried their efforts to negate the commissioner's order to the state supreme court. At the meeting, the opinion was expressed that a final decision is expected before the end of the year. There were expressions also, that the opponents should carry the fight to halt the program to the U.S. Supreme Court if the state court upholds the commissioner.

Sheehan Voids Annual Extension in Minnesota

ST. PAUL—Commissioner Sheehan of Minnesota this week issued an order terminating and voiding as of Aug. 1, 1954, all filings heretofore made by or for any insurance company which are based upon the annual extension plan. His order followed a hearing held April 12, 1954, attended by a large group of insurance men.

He cited several reasons why the extension plan policy does not "serve the best interests of the insuring public." Among other reasons he said it leads to detrimental controversies between agents, companies and policyholders in that it creates conflicts and misunderstanding as to the amount of return premiums due the insured in the event of cancellation of termination of a policy.

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The commissioner also held that annual extension policy results in rates that "are unfairly discriminatory and that the installment plan policy makes available to the fire insurance buying public the full benefits and advantages desired by the purchaser who desires a policy on a term plan.

He ordered that all annual extension plan policies which have been issued as of Aug. 1, 1954, shall be renewed consistent with the full renewal privileges therein contained, but there shall not thereafter be issued any additional annual extension plan policies.

WUA Chairmen Named

Rush W. Carter of Aetna Fire has been appointed chairman of the governing committee of Western Underwriters Assn., and Herman P. Winter of America Fore, is vice-chairman.

Other committees and their chairmen as appointed by Leonard Peterson of Home, WUA president, are:

Arrangements, C. L. Day, North British; conference, P. S. Beebe, Hartford Fire; losses, E. D. Lawson, Fireman's Fund; finance, F. L. Ludington, Atlas; fire protection engineering, M. E. Peterson, Springfield F. & M.; forms, C. W. Ohlsen, Sun; membership, E. H. Forkel, National Fire; public relations, L. W. Brown, Loyalty group; Rocky Mountain, S. T. Shotwell, North British; policy, W. S. Whitford, Millers National; research, E. R. Sanborn, Great American; 75th anniversary, P. S. Beebe, Hartford, and constitution amendments, H. P. Winter of America Fore.

Judge Advises Insurance Claim Men to Sit in Court and Help Their Insured

The presence of a company claim man in the courtroom during the trial of liability suits can be of considerable help to defendant insured and his insurance company, District Court Judge C. Edwin Moore of Des Moines told the claim meeting of conference of Mutual Casualty Companies at Chicago. He said it is time for the insurance people to come in from the hallways and move to the front row of spectators in the court where they can actually be of assistance to their case.

The practice of firing from ambush, with surprising witnesses and technicalities followed by long and loud oratory just isn't done any more before an American judge and an American jury, Judge Moore said. Before a trial today there are interrogations and depositions, production of books and papers, physical examinations and conferences. The opponent in a law suit knows almost as much about the other side before trial as his opposing attorney. The judge said present-day juries have become learned in separating facts from fancy, and if a case is properly presented, he opined the jury will base its verdict upon fact and logic.

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The change in technique of presenting a plaintiff's case can be summarized, he remarked, by simply mentioning NACCA. Trial technique from the defendant's standpoint has of necessity been changed and will continue to be improved. The jury trial today is a race of disclosure. It is presented without delay and includes demonstrative evidence leading the way to some verdicts.

For a company claim man to be in the court room does not tell the jury the defendant has insurance, because the jury already knows about it, Judge Moore said. Many cars now carry metal signs or stickers naming the insurer; most states have motor vehicle responsibility acts, and the judge said he himself doesn't know one person who does not carry insurance. It is logical to conclude insurance must be involved when a jury observes the present-day methods of presenting a case with large charts, diagrams, maps, photographs, recordings, movies and experts testifying. If that isn't enough to inform the jurors, the plaintiff's lawyer will do so, within the rules, during his examination of prospective jurors.

If a claim man comes in the court room and stays during the trial, he has an opportunity to be helpful. The judge related from his own observations and experiences how this could take place, mentioning a preliminary discussion of a pre-trial conference. An adjuster was present and more than once clarified statements made by attorneys on both sides, and was of help because he had thoroughly investigated the facts. As the conference progressed, the attorneys went off on several tangents and before long got into personalities having nothing to do with the case. The adjuster asked for a recess, and during time out he talked with both attorneys and after making a phone call arranged a settlement. "I am convinced it would not have happened except for the assistance of the adjuster," Judge Moore said. "Likewise, I am convinced his time would have been well spent even without a settlement resulting."

The judge went on to say he thinks at least one adjuster or claim man should attend the pre-trial conference of every important case. The presence of a claim man during the selection of a jury can be of some value also in that the claim man may know some prospective juror personally or get a lead to information about him which can be quickly checked.

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Opening statements in court trials today are made in great detail and they take in a full disclosure of the names of witnesses and their testimony. Damages are carefully and completely enumerated. Blackboards, where permitted, are used in opening statements.

The many advantages of having one or more of the men who have investigated and studied the plaintiff's case should be emphasized to company claim executives, Judge Moore said. If a witness has made conflicting statements to investigators, it is the claim man who may first discover it during the opening statements. His own good witnesses may have made their testimony almost worthless by conflicting statements, and immediate additional work may be necessary.

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During trials, Judge Moore said he has sometimes notices attorneys, either by mistake or by misspeaking, make incorrect statements in outlining what they intend to prove. The defense attorney may be mistaken after some detail. The claim man can straighten him out at the first recess. Otherwise he may look bad in presenting evidence.

During the presentation of evidence it is especially important to have a claim man on hand. It is at this time, the judge said, that the opinions of those interested in the suit change more sharply than at any other point in the trial. In one of the cases he tried, the judge recalled that before the selection of the jury started the defense confessed judgment for $5,000 and costs, which was immediately rejected. During the cross-examination, the plaintiff's family doctor testified that three weeks after her injury, the plaintiff was told to go back to work. A specialist testified that this woman had a permanent injury and would

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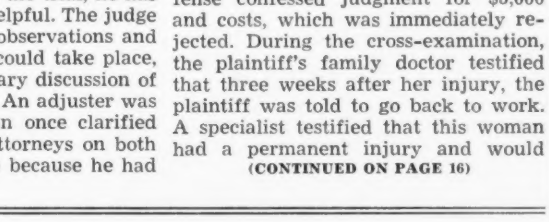

The new and retiring presidents of North Carolina Assn. of Insurance Agents with three well-wishers who spoke at the annual convention. Stanford Webb, Asheville, new president; B. C. Vitt, president American of Newark group; E. J. Seymour, Monroe, La., president of NAIA; North Carolina Commissioner Gold; and Deems H. Clifton, Clinton, retiring state president.

New Directors, Home Office Heads Elected By Bituminous Cas.

W. Stewart McDonald of Scarsdale, N. Y., was elected vice-chairman of Bituminous Casualty and Bituminous F. & M. at the annual meeting last week at Rock Island, Ill. Mr. McDonald is vice-president and treasurer of Stanley Warner Corp. of New York.

Roy A. Hesse, executive vice-president of Bituminous companies, and L. B. Wilson, president of First National Bank of Rock Island, were elected to the board.

E. E. Hoffman was elected assistant secretary of the Bituminous Casualty and Bituminous F. & M., and was appointed manager of the underwriting department. J. A. Fensterbusch was named assistant to the president; S. T. Larson was named superintendent of the liability claim department, and H. A. Golz was appointed assistant manager of the underwriting department.

Mutual Casualty Cover 40 Years Old in N. Y.

The 40th anniversary of Mutual Casualty Insurance in New York state will be marked June 9 in New York City by Assn. of New York State Mutual Casualty Cos., which at that time will honor John L. Train, president of Utica Mutual, at a reception and dinner.

When the New York workmen's compensation law was enacted in 1914, the insurance law also was amended to permit formation of Mutual Casualty Insurers. Eight of the companies organized then still are doing business. They are Bakers Mutual, Exchange Mutual Indemnity, General Mutual, (formerly Coal Merchants Mutual), Interboro Mutual Indemnity, (formerly Brewers Mutual Indemnity), Lumber Mutual Casualty, New York Printers & Bookbinders, Utica Mutual and Utilities Mutual.

Mr. Train, who was assistant chief examiner in the New York department when the insurance law was amended, left to become general manager of Utica Mutual when it was organized, and has been with the company since.

At the dinner John Wicker, counsel of Mutual insurance committee on federal taxation and American Mutual Alliance, will be toastmaster. State Senate Majority Leader Walter J. Mahoney will be principal speaker. Mary L. Donlon, chairman of workmen's compensation board, will attend and the insurance department will be represented.

National Union Pays Rate on Increased Outstanding

National Union Fire has declared a regular quarterly dividend of 50 cents a share on the 600,000 shares currently outstanding, payable June 30 to holders of record June 9. This is the same rate as was paid in the previous quarter on the 400,000 shares then outstanding, prior to issuance of 200,000 additional shares in April.

McMullin Joins James

Fred S. James & Co. in Chicago has appointed Frank McMullin special agent for the Chicago metropolitan area. He replaces T. F. Olson, who is moving to Fremont, Neb.

The southern part of Middlesex county, Conn., is being served by *General Adjutment Bureau* from the New Haven office. Previously the entire county was covered by the Hartford branch.

Northwestern Mutual Fire Names Six in Division Changes

A number of executive and supervisory changes have been made by Northwestern Mutual Fire.

James M. Battle, vice-president, southern division manager and a director, assumes enlarged executive responsibilities at the home office in Seattle in connection with field operations. He will continue his interest in the southern division.

Geoffrey Christian, vice-president, a director and eastern division manager, becomes in addition manager of the southern division. His headquarters continue at Chicago and the two divisions will retain their present identities.

H. O. McPherson, northern California manager, takes on added supervisory duties as assistant manager of the western division, a newly created position. J. P. Elder, northern California special agent, becomes assistant manager under Mr. McPherson.

Peyton J. Brown, in charge of the eastern department, has been assigned to the southeastern department at Raleigh as manager. He is replaced at New York as eastern department manager by H. A. Orders, who has been assistant.

Tri-State Mutual Agents Meet, Name Committees

John H. Shuman of Bloomsburg, Pa., recently elected president of Tri-State Mutual Agents Assn., presided at his first special meeting of the associations board during the past week in Philadelphia.

In addition to the appointment of committees to act during the current fiscal year, plans were outlined for association activities and projects of value and interest to the membership. Thomas J. Finley, Jr., assistant secretary of Perkiomen Mutual, recently appointed as Mutual representative to the Middle Department Assn. of Fire Underwriters, was the guest speaker.

In addition to Mr. Shuman, the officers of the association are Mrs. D. S. Geistwhite, secretary-treasurer, Harrisburg; vice-presidents, J. C. Walters, Charles M. Scott, both of Ellicott City, Md., and Brice E. McCabe, Selbyville, Del.

The following committee chairmen were appointed: By-laws, Leon W. Ashton, Wilmington, Del.; publicity, R. E. Hewett, Camp Hill, Pa.; membership, Roy R. Allsopp, Fayetteville, Pa.; budget, J. C. Walters, Reading, Pa., and H. Clay Johnston, Philadelphia; legislative, W. Newton Jackson, Salisbury, Md., Leon Ashton, Wilmington, H. C. Fenno, Philadelphia; mortgage forms, Leo J. Buettner, Johnstown; 1955 convention, Wilson Flock, Kingston, Pa., and alert youth award, Leo J. Buettner, Johnstown.

$250,000 Wind at Phoenix

General Adjustment Bureau has estimated the loss from the wind-storm at Phoenix, Ariz., to be approximately $250,000 on roughly 2,500 insured claims at an average of $100.

The storm hit in the early evening of May 20 with winds up to 59 miles per hour. Damage is spotty, covering various parts of the city.

J. J. *Kennedy*, fire underwriter of R. S. Hoffman & Co. agency in Boston, has gone with A. Meagher Co. agency there as manager of the fire department.

U & O Claims Reflect Unhealthy Picture of Underinsurance, Raine of GAB Says

In 1953 General Adjustment Bureau handled U&O losses of $10,007,516, and physical damage involved in these losses amounted to $30,049,308. On this U&O, which was one-third of the property loss, insured were coinsurers to the extent of about 19% because of insufficient coverage. These figures were cited by George B. Raine, assistant general manager of the southeastern department at Atlanta of GAB, at the annual convention of Mississippi Assn. of Insurance Agents at Edgewater Park.

Likewise, underinsurance cost customers 16% of losses handled in 1952, 27% in 1951 and 23% in 1950, which means that for the last four years they have been considerably underinsured on business interruption losses. This should give producers a lesson in the importance of selling U&O in sufficient amounts.

Adjusted U&O losses have retained a one-third ratio to property losses for the last five years, he said. This indicates that a merchant or manufacturer, insured or not, if he has a property loss, will probably sustain a business interruption loss of one-third the amount lost in physical property. At the same time U&O may represent a potentially greater loss than the physical values of the business project, requiring insured to purchase more U&O than property insurance. From an adjuster's viewpoint, agents have an obligation to insuring business men to see that they buy protection on that phase of their business which can mean the very life of the business.

He then told of a U&O policy which saved a business. In 1933 a formerly successful Nashville manufacturing plant, then in financial difficulty and being operated under the direction of a finance committee of a large Nashville bank, was severly damaged by a tornado. Its machinery and stock were blown away and the floors that remained were soaked by rain.

A meeting was arranged with the finance committee, and the manufacturer's agent and Mr. Raine explained although insured was not earning the fixed charges they would be paid through U&O insurance just as if no loss had occurred. The committee was convinced that the plant was in no worse position than it was before the tornado and recognized that adequate insurance on physical properties and on profits and fixed expenses protected not only the business but its financial backers.

"I cannot too strongly urge the importance of proper determination of value," Mr. Raine said. In considering U&O the last two or three operating statements of an applicant should be reviewed for upward or downward trend of profits and expenses and the possibilities of the future discussed. If a loss occurs on the last effective date of the policy contract a one year U&O policy would be involved in a period extending possibly 24 months, since such a contract runs in the future. In determining the proper amount of insurance to be carried, therefore, the agent and insured should look two years ahead.

Appoints Committees of National Board

Standing committees of National Board have been appointed by J. Victor Herd, America Fore, the newly elected president of the Board. The committees and their chairmen are:

Actuarial bureau, Charles P. Jervey of Travelers Fire; adjustments, V. L. Gallagher of Pearl; conference with other insurers, Gilbert Kingan of London & Lancashire; construction of buildings, W. J. Reynolds of Corroon & Reynolds; finance, W. A. Hebert of the Springfield; fire prevention and engineering standards, Clarke Smith of Royal; incendiarism and arson, Lester S. Harvey of New Hampshire Fire; laws, Charles A. Loughin of Home; maps, Bruno C. Vitt of American; membership, P. J. Priore of Sun Office; public relations, A. E. Heacock of Pacific Fire; statistics and origin of fires, John A. North of Phoenix, Conn., and uniform accounting, John W. Dillon of the Buffalo.

Young with Kidde & Co.

Truman Young has been named manager of market developments by Walter Kidde & Co., Belleville, N. J. For 21 years Mr. Young has been with Pyrene Manufacturing Co. of Newark.

Fla. Oks M&C, OL&T Revisions

Mutual Insurance Rating Bureau's filing of revised BI rates for M&C and OL&T have been approved in Florida and apply to all policies written on or after May 31, 1954. Involved are a decrease of 1.1% in M&C and an increase of 26.9% in OL&T. The filing now has been approved in 36 states and District of Columbia.

National Surety Surplus Increased, Will Write Fire

The New York insurance superintendent and New York corporations commission have approved a recapitalization of National Surety which changes the number of outstanding shares from 750,000 shares of $10 par value stock to 20,000 shares of $100 par value stock. This reflects the transfer of $5.5 million from capital to surplus.

James F. Crafts, chairman of National Surety and president of Fireman's Fund, announced that the latter had contributed $3 million to the surplus of National Surety, bringing its capital structure to more than $21 million.

"The contribution evidences Fireman's Fund's desire to maintain National Surety, which it purchased last January, as a thriving, growing member of the corporate family in anticipation of National Surety entering the fire business about July 1", Mr. Crafts said.

Mr. Crafts also referred to present statutory requirements with respect to the limitations applicable to the percentage of its capital and surplus which an insurer can invest in subsidiary insurers. He advocated consideration of existing laws and their applicability to group operations where all business is pooled and distributed among the member companies of the group on a percentage basis. He suggested that "to be effective in the public interest, statutes should keep pace with developments".

Home Advances Welch, Transfers Him to N. Y.

Frank J. Welch, manager of the Dallas loss and claim department of Home, has transferred to the home office as assistant general adjuster. Thomas L. Torian, staff adjuster at Oklahoma City, has gone to Dallas to succeed Mr. Welch.

Mr. Welch joined the company at the home office in 1929 and in 1938 was named assistant examiner in the western department. He transferred to the loss department in 1940 and from 1941 to 1945 was adjuster and special agent at Columbus, O. and Indianapolis. He went to Dallas in 1950.

Mr. Torian, who went with the company in 1948, will serve under the direct supervision of Warren Gravely, assistant vice-president.

Employers Names Ross

Employers group has appointed George R. Ross bond manager in Michigan with headquarters at Detroit. He formerly was with Standard Accident for 21 years.

Promote Goodwin in Okla.

John K. Goodwin, Jr. has been advanced to executive state agent in Oklahoma by Phoenix of Hartford.

Keifer to Hanover in Mo.

Kansas City Insurance Agents Assn. will hold its spring golf party at Quivira country club May 28.

The Guy Tex local agency of Central Point, (Ore.) has been purchased by T. C. Barker and will be the Chris Barker agency.

Rules for Tenant in Unusual Case of Amboy Explosion

There are some unusual features in the case of Sears Roebuck & Co. vs Kelsey Holding Co. which involved a tenant-landlord relationship and the proceeds of extended coverage paid as a result of the explosion in May, 1950, which devastated a considerable area of South Amboy, N. J. The New Jersey superior court, appellate division, held for the tenant, Sears Roebuck & Co. It refused to allow the landlord, Kelsey Holding Co. to capture the proceeds of the policy as clear profit since Sears Roebuck, which paid the premiums on the policy, had made the repairs to the building which it occupied.

Under the lease, Sears Roebuck agreed to pay all premiums paid by the landlord in connection with the insuring of the demised premises against fire and EC perils. The lease also provided that if the demised premises or any building impovement were destroyed or damaged in whole or in part, it should be promptly repaired, replaced and rebuilt by the landlord, using insofar as the policies applied the proceeds collected from them. There was to be no abatement of rent during reconstruction and rebuilding.

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The explosion of munitions at the South Amboy dock damaged the premises occupied by Sears Roebuck in Perth Amboy nearby. The windows and doors were blown out and ceilings and partitions ravaged. The tenant immediately made emergency repairs.

By inadvertence or for some other reason the applicable insurance in Scottish Union did not include the interest of the tenant as it was supposed to do. The lease imposed on the landlord an obligation to promptly repair or reconstruct the building. A prompt repair of the premises was of grave and urgent significance to the tenant in the continuity of its business, but, the court commented, "evidently of much inferior concern to the landlord".

Four days after the explosion the landlord requested its broker to investigate and employed a designated firm of adjusters. Twelve days later, the landlord informed the tenant that as soon as the damages were ascertained, the landlord would promptly repair any parts of the building that needed it.

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On June 21 the landlord told its broker it had received from the tenant word that a representative of the insurer had not visited the premises and that the tenant was proceeding to make some necessary repairs. The landlord did not object to this.

On June 21 the landlord asked the tenant to furnish it with substantiating evidence such as estimates, bills, etc. in connection with the loss. The tenant did this on June 23, though the repairs had not been completed.

The tenant spent $4,337 for restoration of the demised premises. The landlord did nothing nor paid anything whatever to repair the building. But the landlord used the expenditures made by the tenant as a basis of its claim on the insurer. Subsequently, on Oct. 18, it notified the tenant that under the terms of the lease the tenant was not entitled to any money at all. The landlord settled with the insurer and notified the tenant that it was not obliged to make any payment to the tenant.

"The landlord having encouraged and awaited the completion of the repairs by the tenant and doubtless cheerfully anticipating the anomalistic but fortuitous eventuality of deriving a profit from the occurrence of the explosion, compromised its claim against the insurance company for the sum of $4,200" on Nov. 13.

Sears Roebuck sued to recover for its expenditures. The landlord asserted on appeal from a lower court verdict in favor of Sears Roebuck that it had suffered an illegal deprivation of its opportunity to capture the insurance for its own use without reimbursing the tenant for the cost of repairs for which the insurance supplied the indemnification. The landlord suggested it was prevented or perhaps should be excused from making repairs because the tenant did so. Yet the landlord disclaimed its contractual obligation to make the repairs. It obviously had no intention of making them, certainly not of making them promptly. The landlord also argued that their was no contractual relationship between the insurer and tenant, but the court brushed this aside.

Since the landlord had paid the adjusters, Sarasohn & Co., $315 for negotiating a settlement of the loss, the court modified the award to Sears Roebuck to that extent. (CCH Fire & Casualty Reports, 302,302.)

Assigned Risks Up 285%

Applications for coverage under the Rhode Island assigned risk plan increased 235% in 1953 over 1952, according to the annual report of the plan. During 1953, 4,434 new applications were handled, of which 84% were not required to file evidence of financial responsibility. The plan also received 509 renewal assignments, bringing the total of new and renewal applications to 257% more than 1952.

Need Basic Changes to Cure Business of Effects of Negativitis

For 25 years the insurance business has been growing more negative toward risks that do not fit the pattern of the average, Arthur D. Cronin of the Kaler, Carney, Liffler & Co. agency of Boston, said at the spring meeting of Casualty Actuarial Society at Lenox, Mass.

A few years ago, he said, if a buyer went to a company with a substandard piece of business, the company man would call in his underwriter and say "This isn't the type of business we want, but let's see if we can't agree on a restrictive form and an adequate rate, and thus surround ourselves with reasonable safeguards and make it possible to serve this customer."

Today, the underwriter searches for as many arguments as he can find for saying "no". Mr. Cronin said he believed one reason for this change is that it is the proper function of the underwriter to select only the better than average business, but with the tight inelastic rate that prohibits getting more than the average rate for the worse than average risk, he doesn't want substandard risks.

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Another reason is the elimination of the agent from any voice in the rate making process and in form writing has stifled his incentive and ingenuity and deprived the business of the benefit of those talents. When agency companies hamstring their agents, they reduce the value of the most important element in their merchandise.

And, third, there is too much business, Mr. Cronin contended. In a 10 year period, combined fire and casualty writings in the U.S. have increased from $1.8 billion to $6.5 billion. It's an axiomatic principle of economics that business cannot increase at such a rate as that without substantial accompanying increases in the capital facilities. No such increases have come about. Tight rating laws have made impossible and impracticable the launching of new companies on a competitive basis. When there is more business to be written than can be absorbed, no one wants anything but the better than average business.

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The end result of the three reasons for today's negative attitude is that the public is not being served. The best evidence of this is the siphoning off of a terrific volume of preferred business to self-insurance, specialty companies, or to London.

Four solutions were offered by Mr. Cronin. The most preferable is to scrap the rating laws. He suggested the business go back to the type of operations used previous to the S.E.U.A. case. New rating laws could then be written with the minimum, not the maximum, requirements being stressed. These laws should be applicable only to those companies that want to make rates in concert.

He also suggested restricting all rate making to pure premiums and letting each company add its own multiplier. The life insurance pattern is an example of such a process. On this basis, he said, competition would be based on economy and efficiency of administration and operation, and the public would benefit.

He recommended the agency system be abolished as it is presently constituted. Take the acquisition cost out of the premium dollar. Let the public retain the agent on a fee basis as legal and accounting services are now employed. A great many agents will survive, he ventured, but admitted he didn't know what might happen to a lot of the companies.

Under whatever system is employed, he said, the agent and broker should be restored to their rightful and proper place in the business. They should be given a voice, at least in an advisory or consulting capacity, in the rate making processes and in the drafting of forms. As they contact with the buyer, they will then be equipped to explain the mysteries of the business, such as the experience rating plan, which are so difficult to understand and which militate so strongly against good public relations.

Wegner Claims Manager

Fidelity & Casualty has advanced Robert J. Wegner to claims manager at Newark. He joined the company in 1936 and has been acting manager for some time. Milton A. Monroe has been made an assistant claims manager.

Fla. Court Holds F. R. Law Unconstitutional

Circuit Judge White at West Palm Beach has ruled that the Florida automobile financial responsibility law is unconstitutional. He enjoined Commissioner Larson from enforcing an order that Mary Johnson, who was involved in an accident, show evidence of financial responsibility or lose her driver's license. There is no doubt in the court's mind at this time that the law is unconstitutional, the judge said.

Travelers Expands Florida Operations

Travelers companies are opening a new branch office in Miami in the Ainsley building, 14 Northeast First avenue, as a result of the rapidly expanding business development in that area of Florida.

The new office will be a direct reporting office for life, accident and group lines, and will have supervision of 10 counties. The rest of the state will be supervised from the Jacksonville office. While the casualty, fidelity and surety department and fire and marine will continue to supervise the entire state through Jacksonville, the new office will provide improved facilities in the handling of these lines.

Eugene J. Gallagher is manager of casualty, fidelity and surety (with headquarters at Jacksonville); Ward A. Crane is assistant manager; Elliott L. Beasley is manager of fire and marine (Jacksonville), Elizabeth H. Braendle is assistant office manager, Howard J. McLaughlin is manager of the claim department, Jack Thalen, resident engineer and Harold E. Quinn, resident field auditor.

N. E. Rating Bureau Revises Rules Manual

New England Fire Insurance Rating Assn. has issued a revised rules manual which includes some new revisions and a number that previously had been adopted.

There is now available a dwelling consequential assumption clause for personal property in dwellings or dwelling sections of other buildings. This is free. Consequential loss and damage insurance is extended to mercantile or manufacturer's stocks.

No additional premium is to be charged and no return premium allowed when either is less than $2. This was formerly $1. The minimum premium for EC 4 is doubled to $2, as is the minimum for vandalism and malicious mischief. Additional EC may not be extended to cover trees, shrubs and plants.

A new rule specifies that in calculating rates the rater should start with the annual rate and figure the term rate as the last step in the calculation.

The entire errors and omissions rule has been revised and two E&O forms provided. The amount of the deductible in inherent explosion clause 2, public utility property, is changed from $100 to $200. The off premises power and water supply clauses are mandatory with time element coverages.

Also, the budget plan form has been revised to provide that the renewal policy must be in the same company. Reporting form A is revised to include apples on farms as an eligible class. A new work sheet is provided for tuition fees coverage. Average rates for U&O policies covering two or more fire divisions shall not be valid for more than three years.

Propose Premium Tax Reduction in N. H.

A proposal to reduce the premium tax from 2% to 1% on domestic insurance companies is among the suggestions made by subcommittees of the New Hampshire legislative interim tax commission. Public hearings will be held throughout the state before the group makes its final recommendations for tax revisions to the 1955 legislature.

Shean Heads New AIU Office at New Orleans

American International Underwriters of Louisiana and American International Marine of Louisiana have been established in New Orleans to represent A.I.U. Offices are at 831 Whitney Bank building. Norman E. Shean is president. It is operating in Louisiana, Alabama and Mississippi.

Mr. Shean joined American International Marine in 1944 at San Francisco.

Providence Agency Changes

Howard C. Sanford was elected vice-president and Howard R. Chase, Jr. secretary of the Starkweather & Shelley agency of Providence, with the retirement of Charles B. Mackinney as vice-president after 55 years with the agency. Mr. Sanford has been with the firm since 1917 and now will be in charge of all fire and marine operations. Mr. Chase, who is president of Rhode Island Assn. of Insurance Agents, started with the agency in 1933.

Conn. Midyear June 21

Connecticut Assn. of Insurance Agents will hold its midyear meeting June 21 at the Griswold, New London. There wil be an educational session at 10 a.m. After the luncheon there will be time for sports and a visit to the Marine Museum at Mystic.

The association has announced the program for its summer school July 19-21 at Wesleyan University, Middletown.

Kenneth R. B. Smith has been elected treasurer of *Reciprocal Managers*, attorney-in-fact and manager of Associated Reciprocal Exchanges. He has been with the firm 25 years, recently as assistant to Alfred Knudsen, who died recently.

29 Changes in Texas Insurance Laws Are Suggested So Far

AUSTIN—Legislative officials of Texas started off in high gear with a program to plug the present "gaping loopholes" in Texas insurance laws at a meeting of the legislative council here last week, with 29 changes being recommended by Attorney General John Ben Shepperd.

Concurrently, Lt. Gov. Ben K. Ramsey, council chairman, named a subcommittee of five members of the legislature to supervise and direct the study during the remainder of the year in order to submit a remedial legislative program at the regular 1955 session.

Mr. Shepperd's proposals included 19 changes in the insurance code, four additions to the penal laws and six amendments to the securities and banking acts. Other suggestions are pouring in as a result of the wide open invitation to companies and organizations, according to A. W. Worthy, executive director of the council.

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Major changes in the insurance code deal with formation of new companies. Among the proposals: Strict examination by the board before granting original charter; an audit of all securities and properties used as assets; appraisal by three real estate dealers of property reported as an asset; filing of affidavits attesting to worth of capital stock, subject to investigation by secretary of state; audit of assets when an increase in capital is made out of surplus.

Another group of changes would authorize the board to make rates and require uniform policies in the field of A&H insurance; would require Lloyds insurers to submit charters and amendments to the attorney general for approval, and another would set up regulations dealing with non-assessable policies.

Two changes are aimed at officers of companies in receivership. One would bar them from organizing another company and another would prohibit them from serving as an agent of another company.

It is also proposed to set up a guaranty fund, similar to that used in New York, to pay claims of insolvent companies and also to set up an emergency fund to help companies over a financial crisis. The other revisions call mainly for simplification and clarification of the code, the holding of hearings, and uniformity in agency licensing.

The penal code changes advocated by Mr. Shepperd would make it a felony for an officer or real estate appraiser to convert money or misrepresent funds or to submit a false statement to the board.

In the securities field the changes would seek to eliminate stock manipulation by tighter legislation, with additional authority given to the banking commissioner and secretary of state. In addition SEC rules would be enacted into law to prevent abuses in advertising securities.

Over and above all this the board of insurance commissioners would be empowered to employ more examiners and plans would be adopted to set up "adequate standards for rigid enforcement."

The legislative council subcommittee has been instructed to make a detailed study of the 60 insurance organizations that have been liquidated in Texas since Sept. 1, 1939, and "try to figure out what caused them to fold up." Ideas on administration and legal procedure also will be investigated.

Nine criminal indictments, eight of them alleging perjury, have been handed down by a Travis county grand jury against four officers of several Texas companies now in receivership.

Those indicted are: Paul R. Lowry, president of Texas Mutual; Leslie Lowry, former legislator and mayor of Beamont; D. H. O'Fiel, Beaumont attorney, and Spencer Treharne, president of United Lloyds of El Paso. Two perjury indictments were returned against each of them, with Paul Lowry also being indicted under a 1913 law, which apparently is being used for the first time and which provides a penalty for submitting false statements in connection with a statewide mutual fire company's operation.

The other companies involved are the Texas Fire and the Texas Western, with the indictments charging errors in the paid-in capital and surplus accounts of the two firms.

All of the charges involved affidavits and statements filed with the insurance commission concerning funds in the organization and operation of bankrupt companies. The indictments followed a week-long investigation by the grand jury.

Idaho Assn. to Meet Sept. 19-22

Idaho Assn. of Insurance Agents will hold its annual convention in Sun Valley, September 19-22, with the Caldwell association as the host committee. President E. J. Seymour of the National association will attend.

EDITORIAL COMMENT

What's What in the Dwelling Field

There is a wide range of opinion among agents and brokers about the present multiplicity of forms and policies in the field of broadened dwelling risks protection. At one extreme are producers who share the opinion illustrated by one agent's comment, "The public is not yet confused by the industry's diversity, but *we are.*" At the other, there is enthusiasm from producers who like having a selection.

As with almost any controversial issue, reality is probably somewhere between the two poles. A recent study by the editors of *The Fire, Casualty and Surety Bulletins* indicates that there *is* confusion, but that it is possible the confusion is only temporary. To some degree, it seems to be born of the understandable nervousness of insurance men who have not had an opportunity to learn the particulars of the various contracts. Enthusiastic claims of field men under pressure for volume in their companies' pet forms have also had something to do with this. And—rather regrettably—too much of this confusion has resulted from extravagant comments on the part of proponents of some forms or policies. The authors of one contract, for example, put out material which contained a reference to *all risks* forms as containing "scores" of exclusions.

The F. C. & S. study shows that most of the special forms and policies available—or in the process of being made available—fall into one of three general categories. There are *all risks* forms like SHO or the comprehensive dwelling endorsement of Transportation Insurance Rating Bureau. The most significant of the second category —*named perils* forms—is the new Inter-Regional Insurance Conference dwelling buildings and contents broad form. The third category consists of *package policies*—the homeowners policies of Multiple Peril Insurance Rating Organization (recently adopted also by TIRB) and the new policy being recommended by Interbureau Insurance Advisory Group.

As between the contracts in the all risks field, there is some variation. The gap between the package policies is somewhat wider. The named perils forms seem quite close together. Probably most insurance producers will ultimately have available through their companies at least one contract from each category—no doubt both of the package policies.

Unquestionably, this diversity will complicate mail and phone selling. If, however, as has been predicted by many agents and brokers, a personal visit will be necessary to sell broadened protection, the producer who has at least one of each type of contract could be in a much better position, since, most assuredly, the needs of his clients will vary considerably.

PERSONAL SIDE OF THE BUSINESS

R. S. Preston of Providence, past president of Rhode Island Assn. of Insurance Agents, now has his arm out of the cast in which it reposed 14 weeks. Though he is a member of the white water canoeing fraternity, which indulges in the dangerous sport of shooting rapids and such things as soon as the ice goes out, he broke his arm in a fall at the Harvard Club in New York City.

Harold Roost of Michigan Millers Mutual Fire of Lansing, Mich., was elected president of Lansing Assn. of Credit Men. Vernon Ebersole of Lansing Insurance agency and Dyer-Jenison-Barry agency was named treasurer.

H. A. Gulledge, who has been in the stock insurance industry 29 years and is a former national president of CPCUs, received the G. Mabry Seay award as Dallas "Insurance Man of the Year" at a meeting of the Dallas Assn. of Insurance Agents. Mr. Gulledge was chosen for the honor by a committee of the association for his service as chairman of the Dallas insurance placement board, chairman of the local Red Cross drive and for his work at the Casualty & Property Institute at Southern Methodist University last June. The award is given by the Seay & Hall agency.

Marine Captain Joseph L. Barr, who was killed in a plane crash in Ventura county, Cal., was a son of **Claude Barr,** who has been a leading local agent at Santa Barbara, Cal., ever since he went to the coast from Illinois, where he was head of Illinois National Casualty. Another son, Claude Barr, Jr., is with the Santa Barbara agency.

Miss Elin Malmquist, assistant secretary of Hartford Fire, retired June 1. She had completed 40 years with the company April 2. She joined the company in 1914 as secretary to the late Richard M. Bissell, then president, and became assistant secretary in 1935. Since 1941 she has been secretary of C. S. Kremer, former president and now chairman. She is a former president of the Business and Professional Women's Club of Hartford.

Albert E. Cox, new president of Virginia Assn. of Insurance Agents, entered the business as a local agent in 1934 and in 1940 formed his present agency partnership of Cox & Goodridge with T. Stanley Goodridge. He has been chairman of the Virginia association and has steered the accident prevention, hail and agents' licensing laws committees. At present he is chairman of the special driver training committee. He is a former president of Danville Board.

Albert E. Cox

Charles J. Biddle of Remington, Ind., who has been appointed a director of Indiana Farmers Mutual, is the son of the late Daniel W. Biddle, who was also a director of the company, and he is the grandson of the late Jerome H. Biddle, who founded the company. Charles J. Biddle has served as a director of the Mutual Insurance Companies Union of Indiana, has been active in the National Assn. of Mutual Insurance Companies and is a director of the Indiana Mutual Hail Insurance Co.

Henry F. Goode, local agent at Manchester, N. H., has been appointed administrative assistant in Washington, D. C., to Senator Upton (N. H.)

Robert S. Crocker, who was with New Hampshire Fire until he enlisted in the navy in 1951, was one of the heroes of the Bennington Aircraft Carrier disaster. Now storekeeper, third class, he helped save several shipmates in the fire.

A. Park Shaw, Jr., bond superintendent of Hartford Accident at Bridgeport, has been elected president of the Bridgeport Junior Chamber of Commerce.

Edwin J. Anderson, president of Goebel Brewing Co., has been elected to the board of American Motorists.

W. L. Nolen, U. S. manager of North British, and Mrs. Nolen, sailed this week on the Queen Elizabeth for London where Mr. Nolen will visit the head office.

Shaw Forms Adjustment Firm

Rex J. Shaw, formerly with Gulf Ins. Co. as a field adjuster, has formed an independent adjusting service in Toledo to be known as the Toledo Adjustment Bureau. Mr. Shaw has been in claims investigation and adjustment work for 13 years.

Stuart D. Thomson, Portland local agency, has moved to a new location at 3336 N. E. Alameda.

DEATHS

D. DONALD HALL, 74, for 16 years Newark office manager and New Jersey state agent of Corroon & Reynolds, died at Summit, N. J. His home was in Berkeley Heights. He was a past president of Fire Prevention Assn. of New Jersey and Special Agents Assn. of New Jersey before it merged with New Jersey Insurance Field Men's Club.

KENNETH M. MAY, 55, Des Moines local agent, died at the Des Moines Veterans hospital. He established his own agency in Des Moines in 1935 and merged his business with the Holmes, Prouty, & Murphy agency last April 1.

CHARLES W. PERRETT, 57, auditor of Home, died at his home in Westfield, N. J. He had been with the company 10 years.

HENRY G. HURT, 81, for 30 years chief adjuster of Pacific Automobile at Los Angeles, died at his home there. He was a Los Angeles resident for 31 years.

CHARLES W. RYAN, JR., 58, who headed the C. W. Ryan & Co., New York City brokerage firm, died at his home in Harrison, N. Y.

V. K. SMITH, 74, local agent at Wheeling, W. Va., died.

HERBERT RYMAN, 61, vice-president of the fire companies of Great American group in charge of the Pacific department, died suddenly at his home in Palo Alto. He had spent all his business life in insurance. He joined Great American in 1923 in the eastern field and advanced steadily. He was elected secretary in 1935, and he was placed in charge of fire operations on the Pacific Coast in 1940. In 1942 he was elected vice-president.

HERBERT RYMAN

He served as president of Pacific Board and was past chairman of the Washington advisory committee. Re-

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NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-3958. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.
PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.
PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Bernerd J. Gold, Resident Manager.
SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

cently he was elected president of Fire Underwriters Assn. of the Pacific. He had participated in many company-producer conferences on all phases of the fire business and was widely active in all fire insurance affairs.

ROBERT M. CUNNINGHAM, 72, since 1938 a vice-president of Marsh & McLennan, died. He had been in the business since 1899.


R. M. Cunningham

Mr. Cunningham started in insurance with Fire Association, with which company his father, William H. Cunningham, had been associated for some years. The senior Cunningham was western manager of Fire Association and also had an agency which he sold in 1900 to Marsh, Ullman & Co. of Chicago, the predecessor organization of Marsh & McLennan. Robert Cunningham was with Fire Association until 1903 when he organized Cunningham, Weed & Co. agency. After a few consolidations this became Huncke, Cunningham & Co. Mr. Cunningham resigned as a partner in 1930 to join Marsh & McLennan, where he became secretary of Marsh & McLennan agency. In 1937 he became vice-president and secretary of the agency and the following year was elected vice-president of Marsh & McLennan.

Mr. Cunningham had been a Class 1 member of the Chicago Board since 1919, and was board president in 1939 and 1940. He was in sole charge of insurance for the Century of Progress Exposition at Chicago in 1933 and 1934, and had the same duties in connection with the Railroad Fair at Chicago in 1948 and 1949 and the continuing Lake Front Fair of 1950. He was a trustee of the University of Chicago Cancer Research Foundation, and a member of the citizens board of the University of Chicago, among his many other civic activities.

HAROLD R. PARKER, 53, Arkansas state manager of Mutual Benefit H. & A. and partner of Parker & Hughes General Insurance agency, Little Rock, died while on a fishing trip. He went with Mutual of Omaha in 1929 and had lived at Little Rock since 1933. His son Harold R. Jr., is associate general manager of the Parker agency.

Funeral services were held in Arizona for **MRS. H. T. DRAKE**, who was vice-president of St. Paul F. & M. Mrs. Drake had made her home in Arizona in recent years for health reasons.

J. L. KIZER, 84, retired Lincoln insurance agent, died. He was an examiner for the state bureau securities in 1919, and in 1929 was acting commissioner of Nebraska. He retired in 1931 to manage his real estate holdings.

HENRY F. MAHLER, 68, president of the Mahler Real Estate & Insurance agency in Maplewood, Mo., died. His son, Herbert A. Mahler, was associated with him in the agency.

ERNEST S. HOUX, 66, an agent and broker associated with Travelers at St. Louis for a number of years, died.

HARRY O. MALSBURY, who operated a local agency at Mount Vernon, Wash., for the past six years, died in Swedish Hospital, Seattle.

FORREST C. THORNHILL, 71, a local agent in Sabina, O., died in Fayette Memorial hospital.

Rex Clarke, surveyor for *Washington Surveying & Rating Bureau*, has been called into military service. He has been with the bureau since December, 1951.

International A & H Meet Set for Omaha

Eighteen speakers on sales subjects, a western chuck-wagon steak fry, and a special section for members at the races will highlight the five-day annual convention of the International Assn. of A&H Underwriters in Omaha. Opening with a directors meeting June 12, the meeting will close with luncheon June 16. Registration for the general sessions will open June 13 in the Hotel Fontanelle.

A special feature will be a Tuesday morning panel on cooperation of trade associations in public relations. Participants will include representatives of NALU, LIAMA, ALC, Institute of Life Insurance, Bureau of A & H Underwriters, and H & A Conference. The panel will be moderated by Leonard McKinnon, McKinnon & Mooney, Flint, Mich., International vice-president.

Among speakers already scheduled are Chester Elson, Mutual Benefit, Waterloo, Iowa; Dwight Meade, Pacific Mutual, Seattle; Eugene Boisabim, General American, St. Louis; Travis Wallace, president, Great American Reserve; O. K. Johnson, BMA, Kansas City; Albert Wohlers, Youngberg-Carlson, Chicago; William Washburn, president, American Health, Baltimore; Howard Nevonen, Washington National; Ralph Knobblock, vice-president, Washington National; J. E. Hellgren, 3rd vice president, Lumbermans; and R. W. Osler, vice-president, Rough Notes Co.

Several other speakers are yet to be announced by Ray K. Wicker, World Insurance, and William Reinsh, Massachusetts Bonding, both of Omaha, co-chairmen of the convention.

Leading Producer Round Table awards will be made by R. L. McMillon, BMA, Abilene, Tex., co-chairman of the organization; and the association's annual "Man of the Year" designation will be awarded by Tom Callahan, Time, Milwaukee, current president of the International, who will also present the new officers.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.
135 So. LaSalle St., Chicago, June 1, 1954

	Div.	Bid	Asked
Aetna Casualty	3.00*	146	149
Aetna Fire	2.40	64½	66
Aetna Life	2.50*	130	133
Agricultural	1.60	31¾	32¾
American Equitable	1.70	34	35
American Auto	2.00	56	58
American, (N. J.)	1.10	29	30
American Motorists	.24	9½	30
American Surety	3.00	63	65
Boston	1.40	63	65
Camden Fire	1.10*	24½	25½
Continental Casualty	2.60	130	133
Crum & Forster Com.	1.80	55	56½
Federal	.60	31½	32½
Fire Association	2.20	50½	52
Fireman's Fund	1.80	60¾	62
Firemen's, (N. J.)	1.00	33¼	34¼
General Reinsurance	1.60	45	46½
Glens Falls	2.00	68	69½
Globe & Republic	.90	17½	18½
Great American Fire	1.60	39	40½
Hartford Fire	3.00	168	170
Hanover Fire	1.80	40½	42
Home (N. Y.)	2.00	43½	44½
Ins. Co. of No. America	2.25*	93	95
Maryland Casualty	1.20	31¼	32¼
Mass. Bonding	1.50*	27	28
National Casualty	1.50*	30	Bid
National Fire	3.00	81½	83
National Union	2.00	44	45½
New Amsterdam Cas.	1.50	44½	46
New Hampshire	2.00	44¼	45¼
North River	1.40	33½	34½
Ohio Casualty	1.55*	70	73
Old Line Life	1.25	39	41
Phoenix, Conn.	3.40	103	105
Prov. Wash.	1.50*	29	30
St. Paul F. & M.	1.00	43	45
Security, Conn.	1.70*	43	44½
Springfield F. & M.	2.00	52	53½
Standard Accident	1.80	56	57½
Travelers	19.00	1265	1285
U. S. F. & G.	2.00	70	72
U. S. Fire	1.80	43½	45

*Includes Extras.

Illinois Rejects NAUA Filing; Hearing Reset

Robert E. Barrett, director of the Illinois department of insurance, rejected as "insufficient" a proposed reduction in premium rates which was submitted by National Automobile Underwriters Assn.

Director Barrett contended the proposal represented a reduction of 3.2% from the current rate schedule of the association and declared that department statistics show the rates should be reduced from 7 to 10%.

The association's proposed new schedule was offered preparatory to a hearing on an order citing the NAUA to show cause why it should not reduce its current rates. Mr. Barrett said the association was not prepared for the hearing since it had relied on the proposed new rate schedule and after rejecting the proposal, he set June 23 as the new date for a hearing on the show cause order.

The association represents 240 companies writing automobile physical damage insurance in Illinois.

Separate Filing on Each Item the Rule in Okla.

Oklahoma insurance board has issued an order that the inspection bureau will hereafter have to make separate and individual filings on each item hereafter up for change. The order comes about following the rejection by the board of the $50 deductible windstorm coverage, which filing included several other matters not related to the deductible. The new requirement means that each category will be considered on its merits and "not commingled with a group of unrelated subject matters filed as a package filing," the board ruling says.

To Speak on Homeowners

Jack E. Larson, secretary of Multiple Peril Insurance Rating Org., spoke on homeowners policies A & B at the meeting of Brooklyn Brokers Assn. Thursday.

The group will hold its golf outing June 17 at Hewlett, L. I.

850 Attend Greater Los Angeles I-Day

LOS ANGELES—With vice-president Harry J. Volk, head of Prudential's western home office, making the principal address, 850 Los Angeles insurance men, officials and producers, sparked the annual Greater Los Angeles Insurance Day. The program also included panel discussions, presentation of the National Committee for safety award to a local man, and various other addresses. The day opened with a two section panel, products and contractual liability, presided over by James D. Simpson, resident manager, Royal-Liverpool, and president of Casualty Assn. of Southern California. Moderators were J. R. West, U. S. Aviation Underwriters and John M. Tracy, Jr., agency superintendent of Fireman's Fund group.

Willard F. Frampton, assistant secretary of Great American, spoke on "Multiple Peril Policies—Evolution of Revolution." He held that the multiple peril issue is a controversial and confusing one, and hinted that it might result in chaos. He declared the industry must learn how to handle multiple line coverage. It is not a passing event, but is the subject of a long-term change in the industry. He declared there is no dissent in the industry against multiple line insurance.

He also told of the Pacific Fire Rating Bureau forms and rates and the action of the Pacific Board reference of the subject to the rating bureau for action. He hurled the challenge that the acceptance of the line by the public is in the hands of the agents and brokers, and that with the all risks policy here—and here to stay—the agents and brokers should give the public its choice in respect to buying the coverage.

St. Clair to Western F. & I.

James St. Clair has sold the Mann-St. Clair agency in Levelland, Tex., and resigned as mayor of that city to join the Western Fire & Indemnity Co. of Lubbock as agency director.

Judge Tells Claim Men to Assist Insured in Court

(CONTINUED FROM PAGE 7)

only be able to work a little bit during the rest of her life. From the bench, the judge said he could sense a feeling that the plaintiff should have taken the $5,000. The verdict was $1,250 in a case where liability was virtually admitted. Claim men had authorized the $5,000 offer, but if one had been in the court room during the taking of the evidence, he would not have paid half that much. "The change of complexion of a case can only be observed by those present," Judge Moore commented. Offers of settlement are often changed based on events happening during the presentation of evidence, and sometimes these are against the defendant. Judge Moore said one railway company increased its offer of $15,000 to $30,000 after hearing an orthopedic surgeon describe the plaintiff's back injuries, and the defense case did no good for itself on cross-examination. "From what I heard, I believe defendant used good judgment in offering the $30,000 which plaintiff accepted."

"Don't you believe your judgment might be valuable when a sudden change comes during a trial?" the judge asked the claim executives. "You can't do it from your desk in the office."

He suggested that claims people carefully study each individual interviewed before trial. This will make the presence and assistance of the claim man when the witness is on the stand pay for the time spent in court.

No two witnesses act or react alike during the trial, the judge said, suggesting they could be grouped into categories taking in intelligent witnesses, those who are honest, or willing, or hostile, or lying, or indifferent, or suspicious. The attorney needs all the help he can get in handling them.

The attitude and conduct of witnesses in the court room before and after testifying affects their credibility and must be carefully watched, the judge warned. Some witnesses are so nervous at the thought of testifying that they should be brought into the court room long before they are to be called so they have a chance to visit with the person who has interviewed them and they get a little reassurance.

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Additionally, a witness may not be so ready to color his testimony if he is looking from the witness stand at a person who has taken a written statement from him.

"Watch the next time you are in a court room and you will no doubt see what I observed in almost every case. You will see witnesses actually shaking their heads in agreement and disagreement with the testimony of other witnesses, or statement of counsel. Most of them are not aware of their conduct while listening. I have had some speak out their approval or disapproval. As a spectator you will see many things not seen by the attorneys, but often seen and considered by the jurors. It goes to the credibility of the witness and if he is yours perhaps you might suggest to him his demeanor in the court room is being watched."

As a spectator assisting a case, the claim man can sometimes put a stop to incorrect actions on the part of his witnesses. In one case before Judge Moore, a woman defendant had asserted a large counter-claim based on an alleged compound fracture of an ankle and a head injury. The first day in court she walked with a slight limp, but each day as she moved about she clearly indicated greater difficulty, which became especially noticeable when she was called to the witness stand.

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As she sat at the counsel table, nearly everytime an injury to her head was mentioned she buried her head in her hands or rested her head on the table. However, during adjournment at noon or in the afternoon, several times Judge Moore saw her walking down the hall with her husband, limping very little and not holding her head. Whether this demonstration was intentional or thoughtlessly done, the judge said he was positive it hurt this woman's case. Her attorneys would have stopped such conduct had they been aware of it. "If one of your insured carries on this way around the court room, you may save a lot of money by seeing that it is stopped early in the proceedings," the judge advised.

In another interesting case, in which the chips were down, the judge said the plaintiff was represented by the Iowa president of NACCA and the defendant by one of the most able and best known defense attorneys in the state. The NACCA attorney came to court with a magnetic board, large charts for each witness, many pictures and model cars. His client wore a neck and head brace, and was almost carried by her husband. The husband was very solicitous of her during the trial and testfied in detail of her many difficulties resulting from the accident, including her change of personality, frustration when around other people and at moving objects such as a passing car. He indicated there was grave doubt that she would even be able to stand the ordeal of the trial.

The woman told in detail of her inability to work, of her lost interest in life, of her frustrations and shattered nerves, and said she wore the brace almost constantly to get relief from pain.

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The testimony of the husband and wife was mild, the judge said, compared to the demonstration they put on for several days before the jury. This was a fair case of liability, the judge remarked, and the jury almost surely knew the plaintiff had insurance. More than one representative of the insurer was in the court room at all times, and one evening after court the insurance representative supervised the taking of this woman's picture at her neighborhood grocery store when she was not wearing the brace.

The dramatic moment of the trial was the contrast of the action of the woman and her husband in court with the movies taken by the defense which showed her walking through crowds, greeting friends, window shopping and shopping in stores, wearing no brace and receiving no assistance. The verdict was for the defense, and there was comment from the jury about the conduct of the plaintiffs.

Philadelphia Mariners Elect W. L. Nicholson

William L. Nicholson of Home was elected skipper of the Mariners Club of Philadelphia at its annual meeting and outing at Ardmore. Harry J. Noyes, Fire Association, was elected first mate and A. J. Cullen, New Hampshire, became purser-yeoman. The club comprises 76 marine insurance underwriters.

Agent, Broker Qualification Bill Shaping Up in Mo.

An agents and brokers qualification bill acceptable to nearly all segments of the business and designed to protect the public from incompetent service will be presented at the 1955 session of the Missouri legislature. It is probable that all phases except life insurance will be covered.

C. B. Mackinney Retires

Charles B. Mackinney has retired as vice-president of Starkweather & Shepley agency, Providence. He joined the company in 1899 as an engineer and subsequently supervised the engineering, inspection and fire departments. He is a founder of National Fire Protection Assn. and a past president of Rhode Island Insurance Agents Assn.

During the first world war Mr. Mackinney was a fire protection engineer with the Navy department.

Fire Association Names Hopson

Robert G. Hopson has been appointed casualty underwriter at East Orange, northern New Jersey service office of Fire Association and Reliance. Joseph G. Junior is resident manager there.

WANT ADS

Rates—$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

—ATTENTION—

(ASSISTANT) OFFICE MANAGERS

Is your boss young, healthy and apparently long-lived? Have you had good training? Would you like to use your skill at managing an office of 100 employees? A modern, midwestern, multiple-line company is seeking a competent office manager. Interested? If so, address Z-38, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

ACCIDENT AND HEALTH UNDERWRITER

One of the leading and most progressive multiple line insurance organizations in the country is seeking an outstanding underwriter who is capable of designing and expediting the state filings of individual accident and health policies. This is a top opportunity for a man with outstanding ability who wants to live in the midwest. In your letter give us in full detail all personal and work history. Address Z-15, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

OPPORTUNITY

Due to illness of owner, one of the largest and finest insurance agencies will be offered for sale. Once in a life time opportunity. Prospective buyer must be of fine character and be able to finance $36,000 deal. Agency located in Upper Michigan. Give full particulars in first letter. Write Z-35, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

INDIANA STATE AGENT WANTED

Progressive Stock fire insurance company has opening for state agent and manager of its Indianapolis office. Excellent opportunity for aggressive young man with underwriting or field experience. Address M. C. Patton, 309 W. Jackson Blvd., Tele: HArrison 7-6670, Chicago 6, Ill.

WANTED

CASUALTY SPECIAL AGENT

By old responsible Casualty Company Young Man with some casualty underwriting experience in Midwest operating from Des Moines. Right man can make excellent future for himself. Address W-90, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

Casualty Underwriter for fast growing Kentucky General Agency. State experience and territory with salary expected. Reply Box No. Z-45, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

SUPERVISOR

Inspection And Engineering Department

Rapidly expanding, multiple line stock company offers an excellent opportunity for a man with fire and casualty inspection experience with an engineering background, to head a new department supervising the work of ten inspector-engineers in the Midwest. Should be familiar in all phases of multiple line inspections and loss prevention work (except Workmen's Compensation) and be capable of hiring, training and supervising the department. Prefer man with Inspection Bureau training but insurance experience essential. Salary open, plus many attractive employee benefits. An opportunity well worth your investigation. Address Z-31, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

Multiple Line Special Agent with Fire emphasis. Territory Illinois. Real opportunity for hard worker. Give full details to Box Z-40, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

Young man with knowledge of casualty or fire insurance qualified to service existing accounts and develop new business for established agency in Detroit, Michigan. Salary open. Wonderful opportunity for advancement. State age, experience, marital status and other pertinent confidential information. Write Box Z-43, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

Thoroughly experienced Life, A & H agency man available Minnesota or West Coast territory. Graduate of LIAMA Mgrs. School. Present company 15 years. Built present five million agency from scratch. Good reason for change. Good references. Reply Z-34, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

KENTUCKY-TENNESSEE TERRITORY

State Agent wanted to supervise Multiple Line Company operation. No Bonds or Compensation. Prefer man under thirty-five years age. Salary commensurate with ability. Excellent opportunity with aggressive Southeastern Stock Company. Write Z-39, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

IOWA OPPORTUNITY

Prominent Marine-writing Company desires Iowa field man. In replying write fully regarding education, military service, experience and other qualifications. Address Z-44, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Fire and Casualty Insurance

COMMENTS - TRENDS - OBSERVATIONS

Commercial Fidelity Losses Point to Variety of Risk and Bond Inadequacy

Because the incidence of commercial fidelity losses has been steadily increasing in recent years, several of the sureties that write a large volume in this field were asked for examples of losses. Since many of the losses in this field, probably a considerably higher percentage than in the financial world, find ins'red with inadequate bond amount, the sureties were asked for examples of underinsurance. Consequently, a good many of the losses presented below illustrate the dangers of overoptimism of insured at the time he bought a bond to cover his risk.

A large mercantile house in a midwestern city placed full confidence in the secretary-treasurer in the management of its affairs. He was a leading citizen of the community, honest, religious, happily married and the father of several children who were being given the advantage of a higher education. The auditors put in their appearance and in the course of their examination questioned one item because there was no invoice to support a payment entered on the records. The secretary-treasurer was called on for an explanation.

He then confessed that he had been defrauding the company for a number of years but was able to keep his acts concealed. The mercantile house had a branch in another city. The branch manager would periodically send through a draft to cover operating expenses. The secretary-treasurer would then draw a check in the amount of the draft, sign it and have it countersigned by another officer. They were legitimate transactions but he went further. When needing money he would draw a check for the amount he needed, sign it and have it countersigned by an officer other than the one who countersigned the checks which were used to take up the drafts. However, he always explained to the countersigning officer that the check was to take up a draft when actually none existed. The checks were then cashed and the proceeds pocketed.

When the audit was completed it revealed a shortage in excess of $70,000. The bonding company paid the penalty of its bond, $50,000. Some recovery was made but the mercantile house still had a substantial excess loss.

In one case, insured had employed a 38 year old single man as chief accountant or office manager. This employe was in complete charge of the accounting system. He handled disbursements of cash, but had no authority to sign checks.

The employer company had rather extensive operations in the oil business, and it often became necessary for the insured to obtain a cashier's check from its bank to be used as a bid deposit, or for some other business purposes. Normally, insured used a voucher type of check, in which an explanation of the purpose of the check was placed on the bottom half of it, which was separated from the top half by perforations.

The employe's method of embezzlement was to prepare company checks with bonafide explanations on the voucher portion, present them to the proper offices for signature, subsequently tear off the voucher portion, and present the check to a bank, and buy with it a cashier's check in his personal account and subsequently of course make withdrawals therefrom.

This was his main device to embezzle, although he was also guilty of embezzling some cash and forging endorsements on company checks.

The bond was a commercial fidelity bond which had originally been written with a penalty of $100,000, but which subsequently had been reduced, at the request of insured, to $25,000. The employe's defalcations extended throughout the entire period, and by audit it was determined that while the bond penalty was $100,000 he had stolen $15,272, but later, during the period when the bond penalty was only $25,000, he had become bolder, and had misappropriated approximately an additional $135,000. So, of a total loss of $150,000 suffered by insured, it received payment under the bond of about $40,000.

In another case, insured was a hospital under a blanket position bond, with a penalty of $10,000. Insured's chief accountant, within two months after he was hired, began manipulating deposit slips and cashier summaries by withholding Blue Cross checks and subsequently depositing them to cover cash he had withdrawn. His total embezzlement over a ten-month period, at the end of which he was discovered, amounted to $15,780. The bond was $10,000.

A cemetery association in a northern state had as its treasurer an outstanding citizen in church as well as in civic affairs. He was also affiliated with numerous other organizations in positions of trust but temptation and the desire to live up to his reputation was too much for him. He started off by taking small amounts, always with the intention of making repayment, but that time never arrived. Finally an audit showed a shortage in excess of $21,000. The surety with a bond of $25,000 made full reimbursement. However, his speculations in connection with his other activities amounted to thousands of dollars, most of which was not covered by a surety bond and resulted in a complete loss to the various concerns involved, both business and charitable.

Claim was filed under a primary commercial blanket bond in penalty of $200,000 for fraudulent acts of a vice-president of insured. The loss alleged was approximately $2,000,000 caused by the principal selling alcohol and whiskey to dummy corporations at a price below OPA ceiling prices.

The principal and various confederates who were officers and sole stockholders of the dummy corporations resold the alcohol and whiskey to legitimate concerns at a substantial increase in price, frequently shipping directly from insured's warehouse to the ultimate purchaser. Principal also sold barrels to insured's customers and obtained kickbacks and commissions through dummy corporations. He also obtained a commission on millions of gallons of grain alcohol he purchased for insured.

All of these transactions were without the knowledge or consent of insured. The principal died and insured brought suit against the deceased principal's estate for its loss of well over $1 million dollars in excess of the surety's payment.

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Shortly after the outbreak of the Korean war, a parachute company found business booming but couldn't get enough release boxes, furnished by a metal working concern. The assistant manager of the company told the president that the metal company's output was being held up due to a lack of capital and suggested that the problem could be solved if the parachute company advanced them money against future orders. To further impress his loyalty on the president, the AM informed him that the manager did not like the idea of helping the metal company, hinting that his feeling was inspired by an ambition to form his own company to compete with them. The manager was soon released, with the AM becoming the new manager.

Business continued to boom profits reached a new high. Ostensibly the new manager had helped to create this excellent condition. But when an outside auditing firm moved in, the picture changed considerably. Invoices were marked paid, yet the auditor could find no notices of receipt. When questioned, the new manager explained that the advancement of funds was in keeping with their policy to help the metal company. This policy, he added, was approved by the president.

Next, the auditors declared that some of the release boxes had been paid for more than a year before, although they still had not been received. Then, they proceeded to the shipping room and, after examining the boxes which cost the company $35 each, determined that the boxes were reconditioned ones and could be got for $10 each. When the president was told of these discrepancies, he suggested that a former employe must have been responsible. The auditors argued that the transactions took place after that man had left the company.

When faced with the charges, the manager confessed that he had, with the aid of a key employe in the metal

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"I'M ALL FOR GOING OUT AFTER AUTO BUSINESS, BUT THE FUTURE MAKES ME A LITTLE NERVOUS."

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company, embezzled about $200,000. This included his ordering 1000 boxes instead of the 100 originally ordered by the company; thus, the company was charged for the 900 boxes never received. Also, the conspirators substituted reconditioned boxes, charging the company for new ones and splitting the proceeds. They were motivated by an ambition to start their own company. Bond, $10,000.

One manufacturing company sustained at a branch plant a loss of $185,000, for which it was adequately bonded. The plant accountant took the money over a six year period and used it to finance personal ventures, paying employes of these ventures out of company funds. He withheld funds received from the sale of scrap, forged endorsements, and made unauthorized withdrawals from petty cash by submitting false petty cash vouchers and expense accounts.

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Another loss, one of $61,139, involved a labor union local. Here the bond on the financial secretary was $2,500, and the loss to insured was $58,639. The thefts occurred over a period of about four years and the money was spent on extravagant living. There was collusion with a secretary-bookkeeper. The financial secretary withheld dues, sold office furniture, and even a car that belonged to the local, withheld refunds, over-charged new members and kept the difference, etc. The books were supposed to be audited every three months by a union auditing committee but when the auditing committee called on the man he laid a gun on the desk and threatened to shoot anyone who touched his books. The committee left him alone and did not report this strange situation to the parent union. A union auditor was supposed to go over the books once every six months, but he was allegedly incompetent and when another auditor was appointed it took him six months to clear up other shortages so that he did not get to the big one until six months had gone by. It then required several months for him to investigate the thefts in detail.

A dairy products company had a primary commercial blanket bond of sufficient size to cover a loss of $149,000 caused by a division manager in a period of about seven years. With a relative, he worked this scheme: the relative sold the company second-hand automobile equipment at prices greatly in excess of the amount reported to the company and the two pocketed the difference. He also used company employes in some private real estate operation. There was a considerable recovery.

A fraternal benefit society had a $40,000 position schedule bond and suffered a $90,000 loss. The treasurer withheld funds from deposit in the bank, ordered bank statements and deferred making deposits.

The branch manager of a financing firm started kiting fictitious loans and managed to cause a loss of $44,000, with insured paying $26,000 because of the insufficiency of the bond. The manager prepared fraudulent financial statements and chattel mortgages to support the fictitious loans. He continued his defalcations for about four years.

An American Legion post had a $5,000 bond and suffered a $15,000 loss. The secretary, in three years, managed the theft by taking cash and failing to keep proper records.

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A retail clothing store with a $2,500 bond had a $4,648 loss. A porter, it was discovered, had been taking merchandise over a period of two years, removing it from the premises when he took the parcel post to the post office. He spent the proceeds living beyond his means.

A cashier, employed six years, was able to steal thousands of dollars from a small department store by using an old, well-known scheme which insured should have detected within a few months.

Customers who returned a purchase for refund were directed to a floor manager or section manager. They surrendered the returned item and the sales slip. The authorized employe signed the slip and handed it to the cashier. She paid the customer out of the cash register and placed the signed sales slip therein, thus keeping her cash in balance.

Although every customer receives a sales slip with every purchase, many just drop them on the floor and walk out. The cashier saw the advantage of picking up these discarded slips, so, during her morning and afternoon rest periods, when she was free to wander about the store, she made a practice of securing as many fresh, unrumpled

slips as possible. Then she forged authorized signatures thereon, placed the slips in her cash register and pocketed the cash.

Eventually, the management became aware of excessive inventory shortages in certain departments. For two years, they watched the employes in those departments. The shortages continued. The mystery was not solved until, one evening, a checker asked this girl to open a package she was carrying out of the store. When it was found to contain merchandise clearly stolen from the counters, she was taken to the manager and questioned. There, she admitted having stolen $6,500 in cash and merchandise. She explained her method and insured began a check of all refund slips. Unfortunately for insured, it had destroyed all sales slips prior to the last two years. Nevertheless, among the slips available, they found $23,000 worth had been forged by this girl.

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The inventory shortage for the four years was $66,000. Because the policy was in force for only a part of the time and because insured frankly admitted it had been remiss, the claim was settled for $38,000.

A bookkeeper-cashier is a dangerous combination. The branch manager of an automobile sales company played the horses moderately and impressed his bookkeeper-cashier with his ability to pick winners. Eventually, he was able to persuade the young man to "lend" him funds from the cash drawer so he might realize larger profits. Whether or not he picked any more winners we do not know but the operation was interrupted six months later when the home officed decided to circularize all outstanding accounts. Of them, $11,000 were found to have been paid. Of this sum, the foolish boy received only $500; the manager had gambled and lost the balance. Bond, $7,500.

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This case involves an attractive well-dressed and efficient buyer in a New England women's wearing apparel store, who used her position of trust to enrich herself to the extent of $5,000 at the expense of her employer.

The operation of the store was similar to that of the average well managed establishment of this character. The usual safeguards were in effect to prevent various types of employe dishonesty but the system fell when the buyer, who was charged with checking others, needed someone to check on her. She removed articles from stock and placed them behind a service desk. At this point a portion of the sales tickets attached to the dresses was removed to indicate a sale was made but not recorded. A few days later, at a time when the service desk girl was at lunch, she prepared a refund form in the name of the fictitious purchaser, with fictitious addresses. These refund forms bore her signature of approval, which was necessary on all such transactions. By making it appear that these articles were actually purchased for cash it was not difficult to get a cash refund for the alleged customer and the articles were then returned to stock.

The operation was conducted over a period of approximately two years and while inventory showed more than a normal shortage it was felt that clerical errors, shop lifting and inside theft of merchandise caused the discrepancies. The buyer assisted in making certain investigations to ascertain how the discrepancies were occurring and in this manner, of course, she was able to keep suspicion from herself. The employer finally engaged private investigators and after a while suspicion was directed to the buyer in connection with the refund slips. Handwriting experts concluded that the alleged signatures of the customers on the refund forms were actually the writing of the buyer, even though an attempt was made to disguise the writing. She was watched very closely and at a time when she was ready to put through another fictitious refund, bills prepared with florescent powder and numbers recorded were given her. She was interrogated and submitted her purse for examination, which revealed the marked money. This led to a full confession and reimbursement by the insurer.

The buyer obtained another job at about half of the salary paid by her former employer. The chances of salvage are remote.

A 60-year old widow, employed by a finance company for 15 years or so, walked into the manager's office one morning and told him she had stolen almost $6,000. She was a bookkeeper-cashier, kept all records, handled all cash, made all deposits.

She had two worthless sons who were too lazy to support their families so "grandma had helped look after the children out of her small salary." Six years previously, with the grandchildren's needs increasing and the cost of living soaring, she started stealing from her cash, always expecting that her beloved sons would justify her hopes, find steady jobs and repay her. Now, however, she was no longer

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able to manipulate the shortage nor bear the strain of trying to conceal it, so she confessed.

She had not falsified her books. She merely delayed her bank deposits using today's collections to cover yesterday's shortage. Her books had been audited many times during the six years but she always escaped detection by saying the bank deposit was in transit. Bond, $10,000.

Store executives couldn't understand why a girl who had been with the company for 17 years and who had advanced to district supervisor would suddenly request to be "demoted" to store manager with a cut in salary and longer hours. She told them that she wanted to be located near her mother who lived alone and also that she didn't want a position that demanded so much responsibility. Insured granted her wish.

When she began working at the store, the other employes eyed her with suspicion, but after a few weeks relations were no longer strained and business prospered.

The manager was absent from the store on pay day when the new district supervisor arrived to distribute pay checks. She noticed that a Laura Pasternack was not there to receive her check. The employes told her that Laura had left about a month before. After checking, the supervisor noticed that the records indicated Laura Pasternack had worked up to that day.

When the manager was called into the executive offices to explain, she confessed that she had forged the paychecks not only of Miss Pasternack but of other employes whose resignations she had neglected to report to the office. In this way, she was able to supplement considerably her cut in pay. In addition to forging paychecks, she admitted that she sold merchandise without ringing up the sales. Spoilage items, for which the store made a liberal inventory allowance, were taken out of stock and sold to her neighbors.

(*This is part one of a resume of fidelity losses, the remainder of which will be presented in a later issue.*)

Explains Alien Insurers Procedures in N. Y.

The procedure for alien insurers doing business in New York to be absorbed into domestic companies was explained by H. P. Klein-Smith, senior examiner of the fire and marine section of the insurance department's property bureau, at the in-training program for examiners.

The trusteed surplus statement, he said, is required annually of all alien insurers doing business in the fire, marine, casualty and life fields. This statement is in addition to the regular annual statement required of domestic insurers. It specifies in detail the admitted trusteed assets and liabilities and the permitted deductions therefrom to arrive at the trusteed surplus, which is used as a measure of the solvency of the U. S. branch of the alien insurer.

He also discussed the qualifications of the U. S. manager and the U. S. trustee. Under an amendment incorporated in the law in 1951, domestic companies may be organized for the purpose of acquiring all assets and liabilities of the U. S. branch of an alien insurer. One such company has been totally absorbed into a domestically owned company and another is in the process of such a change, he said.

GAB Promotes Two in New York Offices

General Adjustment Bureau has appointed Earl F. Leach assistant general manager of the eastern department and W. D. Venable executive assistant in the national office. Both offices are in New York City. Mr. Leach joined the bureau in 1930 and most recently was executive assistant in the eastern department, as was Mr. Venable, who has been with GAB since 1937.

Mariners Elect Nicholson

Mariners Club of Philadelphia at its annual meeting at Ardmore, Pa., elected William L. Nicholson, Home, skipper; Harry J. Noyes, Fire Association, first mate, and A. J. Cullen, New Hampshire Fire, purser-yeoman.

United Benefit Fire of Omaha has withdrawn from Ohio.

Larger Role of Actuary, Reinsurance, Electronics Eyed by Actuarial Group

About 100 members, wives and special guests attended the spring conference of Casualty Actuarial Society at Lenox, Mass. The program was of perhaps more general interest than usual. Seymour E. Smith, assistant actuary of Travelers, discussed the much broadened function of the actuary with the development of rate regulation and growing interest in and concern with the price of the insurance by the public.

One of two panels that featured the program dealt with an examination of rate regulation 10 years after the S.E.U.A. decision. The other concerned catastrophe insurance. At an informal dinner, Arthur S. Kuenkler, actuary of U.S.F.&G. acted as emcee. At this function Arthur D. Cronin, of the Boston agency of Kaler, Carney, Liffler, & Co. of Boston, was the principal speaker. The research committee presented a report which emphasized the need of insurer personnel adapting itself and its procedures gradually to the development of electronic equipment.

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Rate regulatory laws, inflation, multiple line legislation and other changes all have had and continue to have various effects on the business, but all, in common, call for an increasingly expanded role by the actuary, Mr. Smith said. More capable actuaries are needed, and they must also be familiar with many more aspects of the business than has been traditional. This applies to internal operations and to many functions outside of company offices.

In casualty insurance until recent years actuarial functions have, with certain exceptions, been primarily concerned with statistical problems and establishment and maintenance of proper reserves, with occasional consultation on rating problems. The changes of the past few years have profoundly affected this picture, and even more changes undoubtedly are coming.

Laws and regulations of rates have in varying degrees affected the whole pricing structure of a substantial portion of the business, he said. Since most of these are comparatively new and there are many views as to proper application, it will be some time before it can be clearly determined exactly what they do and do not mean. But the price paid by a policyholder, it is clear, must meet certain standards, and there will be a far greater requirement for explanation and justification of rates than in the past.

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The demand has tremendously increased for actuarial talent and for talent with a broader understanding of insurance functions than previously, he declared. The demand comes from individual insurers, rating organizations and regulatory bodies. The actuary must be more than a pure technician. He must be familiar with major underwriting considerations and problems, and with the problems and aims of the sales establishment. Rates may be calculated with wonderous mathematical precision but are no good if they appear ridiculous in a competitive market. And they must produce a profit for the company.

He must be familiar with rating laws and regulations in developing rates to meet the applicable standards, and subsequently, know how to draft filing memoranda, prepare reporting exhibits, participate in conferences with regulatory officials, or present testimony at full dress public hearings. He may be subjected to intensive cross-examination on all aspects of the filing.

Another aspect is the substantial increase in interest by the public in the price it pays for insurance. This may be a temporary result of new regulatory laws and post-war inflation, or it may be a growing and permanent development in the business. The manner in which this problem is handled in the immediate future will have a considerable bearing on the extent of difficulties of the business in the years ahead. The public concern over the insurance price varies from place to place and between individual coverages. It also arises in many forms, as an investigating committee or a commission appointed by a state legislature, as complaints raised by local public officials as to rates, as dissatisfaction expressed by trade associations or other groups, or as a demand for an explanation by an individual policyholder as to why his rate is what it is.

The problem in almost all instances is satisfactorily resolved by a clear and complete explanation of the items affecting final cost. This sounds simple, but calls for a considerable amount of talent—actuarial knowledge plus

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the ability to express it articulately in clear and simple terms. Needed are familiarity with the many service operations performed by insurers so they may be thoroughly explained and the effect on final price may be justified. Basically what is needed is a combination of actuarial ability, insurance knowledge and an appreciation of public relations.

Presently, there is a shortage of actuarial talent, which is the product of extensive education. He noted the efforts in this direction by the society, including the examination syllabus revision with a further revision scheduled for the near future, development by the educational committee of presentations of formal papers needed on current topics of importance, panel discussions which he urged to be continued and possibly expanded, increased membership, and development by individual members of actuarial ability in their own offices through encouragement of able young men to study for the examinations of the society.

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The panel on property catastrophes had Donald C. Bowersock, president of the Boston; John A. Diemand, Jr., vice-president of North America; Emil A. Goerlich, vice-president of Excess Management Corp., and Ambrose B. Kelly, general counsel of Factory Mutuals, as participants. Winfield W. Greene, reinsurance intermediary of New York City, was moderator.

No large insurer has failed because of a catastrophe since modern reinsurance came into being, Mr. Goerlich commented. Insurers and reinsurers have been living with catastrophes quite satisfactorily. Last year the number of catastrophes seemed to be greater than any previously recorded. Yet the 1953 experience did not indicate there is a trend toward an increase in the number of windstorms, he said. The 35-year tornado picture shows a wide variation in their number and severity.

The November, 1950, northeastern storm caused more damage than any other of which there is a record, he noted. Yet it has been computed that the 1938 storm in New England would have been more destructive in dollars if it had occurred in 1950 with a greater amount (about 75%) of insurance at inflated values.

The 1953 storms damaged property of which about 85% was insured. Not only has the amount of insurance increased, but the premiums have increased also; in New England, extended coverage rates generally have doubled.

The 1950 storm caused his group a loss which was more than 100% of total premium income during the year, he said. Much of the loss was actually charged to the next year. Many primary insurers would have found it difficult to withstand the strain of a single loss amounting to more than 100% of total premium income. But Excess Management distributes its liability among a number of companies, each bearing a small loss. Excess Reinsurance Assn. now has 30 members and the Casualty Reinsurance Assn. 26.

Such catastrophes, while terrible enough, often have a salutary effect. The 1950 storm changed the underwriting approach of Excess Management and that of primary insurers. It caused Excess Management to check carefully into over-all liabilities, both in total and by contract. It increased retentions so that it now believes they are nearer proper amounts, and it increased the rates to include recovery of losses over a 10 year period.

Many companies currently are paying higher premiums for their catastrophe reinsurance than they did previously. These higher premiums are establishing larger reserves with reinsurers. This is much better than for a company to set up a catastrophe reserve of its own under present tax laws. These require that such reserves be established either out of surplus or out of earnings after taxes. Thus a dollar of earnings would create only a 50 cent reserve. The same dollar paid to a reinsurer as a reinsurance premium is considered an expense and may be deducted from earnings for taxes. The premium dollar consequently purchases almost double the catastrophe reserve which a company can set up itself.

Also, an insurer may suffer a catastrophe loss before its reserve is large enough to equal the loss. By paying it to a reinsurer, it immediately sets up a credit, the limit of liability of the policy, which may be paid back out of future earnings. That is, if a company's loss exceeds the premiums paid

in, the debit item on the insurer's books will be spread over a period of years.

Primary insurers can help their own catastrophe situation if they increase deductibles and insist upon insurance to value. The latter is particularly important, Mr. Goerlich said. He feels that all policies should contain a coinsurance clause, even dwellings, so that insurance shall be at the value, or at least 80% of the value.

In addition, primary insurers should be sure they have a proper spread. Excess Management asks each of its reinsured to break down its EC premium income by states. A good distribution merits a lower rate. In rating excess of loss contracts, it always checks the company's wind premium from Florida and Texas. The companies with large writings in those states are charged higher rates. For some time primary insurers have been restricting the writings in Florida, particularly in Dade and Broward counties, and in the Gulf coast section of Texas. With better spread and use of deductibles in these regions they have reduced losses considerably and improved the reinsurer's experience.

As to other catastrophes such as earthquake, good distribution is essential, he said. Underwriting and selection of risks with an eye to each risk for catastrophic possibilities will help. Selection of risks constructed to resist earthquake shock, for instance, is very important. Companies might give premium credits for better risks or charge for increased hazards, for example an additional charge for an outside aerial or a reduction in rates for wind resistive roofs as in fire insurance rating of fire resistive roof coverings.

Property catastrophes cause immense adjusting problems, something casualty companies seldom experience. However, new loss procedures and catastrophe programs have been set up by company adjustment bureaus. These measures will help.

Consequently, with proper reinsurance, bolstered by greater use of deductibles and care in underwriting and loss adjusting, primary insurers will not have much difficulty in living with property insurance catastrophes, he said.

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Mr. Diemand commented that a catastrophe is not to be measured by the extent of any particular loss but by its impact on a company's finances. A reasonable definition of catastrophe is an event or series of events which impair a company's resources to the point where it must retrench its operations. A mere underwriting loss of a few loss ratio points is not necessarily a catastrophe. Those who have been in the workmen's compensation business know that a state legislature can do them more damage in enacting a single bill than would be caused by all the tornadoes in an entire year.

Reinsurance is, of course, of considerable assistance in insulating a company from the vagaries of windstorms and conflagration. Many excellent reinsurers are ready and willing to afford catastrophe protection. However, it must be remembered always that reinsurance is not a magic device to guarantee an underwriting profit. If a primary insurer spends too many dollars on reinsurance, there will be none left for its profit. Much as a reinsurer enjoys getting business, he urges insurers to remember that there is such a thing as over-reinsurance.

Companies are obliged by law to maintain surplus and they must be prepared from time to time to dip into surplus to pay losses. That is what it is there for. Sound underwriting practices and adequate reinsurance may go a long way to soften the impact of adverse experience, but eventually a company must be prepared to use its own resources.

There is much to be done, he believes, in way of establishing stabilization reserves so that a company can, in good years, lay aside a portion of its underwriting profit, free of taxes, to be used for paying losses in bad years. The problem is more acute for stock companies than for mutuals and would require revision of existing tax laws. It is not an unreasonable proposal and it would surely result in savings to the insurance buying public.

Mr. Kelly said there seems to be some concern not only with the present rates for catastrophe reinsurance but also with the possibility than another bad year might make the price of such reinsurance so high and the capacity so limited that insurers could not secure adequate reinsurance.

The problem is not nearly as serious as the alarmists have believed, he said. The tremendous growth of EC in the last 20 years has given insurers a substantial exposure to catastrophe wind losses. The severe tornadoes of 1953, the November windstorm of 1950 and periodic Florida hurricanes are normal. There has been no fundamental change in the storm cycle for tornadoes, hurricanes or straight blows, judging by the records of the weather bureau. Windstorm cover is catas-

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Wider Role of Actuary Discussed by Smith

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trophe loss cover. Consequently, insurers must include in their rate formulas adequate provision for such loss and expect to pay to excess reinsurers a substantial part of the wind and EC premium received.

Earthquake is even more catastrophic than windstorm, and any insurer operating in this field must expect alternate long periods of favorable experience with sharp catastrophic losses. When the next major earthquake strikes in a heavily populated district with extremely heavy loss, the business will r e c o v e r substantial amounts from catastrophic reinsurance and will probably call up on surplus to pay the claims. This is the inherent nature of the business and it should not cause undue concern to the property underwriter.

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Despite severe windstorms in the last five years, companies have shown steady increases of surplus. The basic reason for accumulating large surpluses is to have necessary reserves to pay catastrophic losses. It would seem that the complaint of many insurers is that catastrophes require them to use their surplus for the purpose for which it was designed. If insurers expect reinsurers to protect them against loss in surplus as the result of catastrophic losses, they must expect to pay in premiums the percentage of their over-all rate which is loaded into the rating formula for catastrophe purposes.

What is a catastrophe loss? What loading has been placed in the rate formula for catastrophes, and is it adequate based on the experience of at least 10 years? If there were answers to these questions, it would be easier to decide whether the recent series of catastrophe losses indicate an error in previous calculations or whether they are well within the boundaries of what the business regarded as possible.

What is the proper handling of catastrophic losses from a statistical standpoint? It is not only necessary to maintain accurate records of catastrophe losses to tell whether the loading is adequate. It is also necessary to deduct such losses from over-all experience to determine if the rate level for each classification is correct. If this is not done, there is a dual charge for catastrophe losses in the rate formula. Proper premium must be shown for EC if losses are to be charged against it. Any plan of rating under which abnormal charges are made must be coupled with a statistical plan under which wind losses will not be charged to EC but against the hazard for which the basic premium is collected.

Supervisory officials might well review the statistical handling of a catastrophic losses to make certain that losses follow premium, he recommended.

The talk is nonsense that large scale electronic computers can do underwriting, the research committee of the society reported at the conference. The quality of experience and of judgment needed for mature underwriting is not in the realm of electronic brains, giant or otherwise, the report declares.

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What may be feasible is to store the company's prohibited lists, doubtful lists, and line guides, so that the machine can be used to process to completion all business not subject to underwriting doubt in any appreciable degree and to throw out for human consideration only that business which needs true underwriting judgment. Dudley M. Pruitt of General Accident is chairman of the research committee and made the report.

No detailed blueprint of the automatic office has been drawn yet, he said, but considerable thought has been devoted to the problem by fire and casualty men. The business may be on the threshold of some radical changes stemming from electronics developments, and there are matters of preparation individual insurers in the business could well be taking. One area of promise for these machines is registration of premiums and preparation of renewal policies in automobile lines. Progress currently is being made to program them to do a considerable amount of coding, premium checking and detailed card punching, and to compute at renewal time a premium based on revised rates.

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The report cites, among other examples, the fact that private passenger automobile BI and PDL rates for classes 1A, 1B, 1C, 2A and 2B all are normally fixed percentages of the class 3 rate but with exceptions. The fixed percentages make for economy in electronic computation, the exceptions are expensive and machine capacity used in this way might be more profitably employed in other operations. Some codes are logical, others are not. A logical code bears a mathematical relationship to the categories being described, which simplifies electronic operation. In future code assignment, it would be desirable if logical considerations are more seriously considered. However, these machines can and should handle valid, useful exceptions. They are more qualified for dealing with unrelated material than previously used mechanical devices, and it is extremely difficult to state a normal clerical problem which a giant brain cannot solve. But the machines show clearly how much it actually costs to enjoy unrestrained, illogical and unnecessary deviations.

The committee outlined a program of company preparation for the electronic age which would help achieve a smooth transition over a period of years. It recommended that insurers:

Set up an electronics coordinator to study and foster use of electronic

equipment. Keep top level executives posted on developments to achieve executive appreciation. Stimulate supervisory attention to look for all possible areas of mechanization.

Also, gradually build employe interest and recognize the impact of the technilogical change on employe morale so that though their jobs may change they will realize greater overall operational efficiency will always result in additional and better jobs. Prepare operation outlines of all present procedures, a good practice whether electronic equipment is ever used or not. Pursue a program of procedure simplification to determine which variations will be permitted and which exceptions must be eliminated, with similar operations in various departments integrated into the single spot where it would be best formed—a matter of plain good management anyway. Develop a comprehensive master plan on how complete mechanical handling should be performed throughout the organization, utilizing all electronic equipment that is justified. Take steps bit by bit to put into operation the segments of the entire program, with individual operations handled as separate studies and conversions so long as they advance toward the long range goal.

Says Fire Protection Program Most Important

One of the most misleading phrases in modern business usage is "the loss was fully covered by insurance," Chester I. Babcock, head of National Fire Protection Assn., said at the meeting of New York chapter of National Insurance Buyers' Assn. in New York City.

This is particularly true about fires, he said, because serious fires usually involve many uninsured and uninsurable losses.

He warned that any insurance buyer who thinks his property is fully covered by an insurance policy against loss by fire is deceiving himself. Adequate protection must include, in addition to insurance policies, a sound fire protection program to prevent serious fires from occurring.

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Citing cases from the 293 largest fires of 1953— a loss of more than a quarter million dollars each—he pointed out that most disastrous fires originate with a violation of the fundamental principles of sound fire protection. He urged buyers never to forget that every fire destroys forever something of value, the insurance premium paid is determined to a large extent by the aggregate value of material destroyed by fire and that there are many indirect losses not ordinarily covered by an insurance policy and others which cannot be covered.

None of the four principles of fire safety, prompt fire detection, prompt alarm transmission, effective fire attack, subdivision of areas, alone will guarantee protection against a large fire loss. Serious fires are, without exception, due to a combination of fire protection weaknesses. It is not delayed detection alone, but delayed detection plus large area; not just delayed alarm transmission, but delayed alarms in combination with closed sprinkler valves, excessive area and the like, he said.

Muirhead to Employers

Cecil N. Muirhead has joined the inland marine department of the middle department of Employers group at Philadelphia. He entered the business in 1920 and in 1927 joined Appleton & Cox agency, New York, opening its Pittsburgh and Baltimore offices. He went with Providence Washington in 1946 in its Philadelphia office.

N. W. Eyes Impoundment on Out-of-state Autos

Aimed at out-of-state drivers who escape payment for damages after accidents is a proposal coming up for a hearing June 29 by a legislative interim commission in New Hampshire to change state laws to permit seizure of an auto at the time of an acccident if the owner cannot prove financial responsibility.

Other matters to be discussed at the hearing include a plan to increase liability coverage from 5/10/1 to 10/20/5; possibility of a special motor vehicle court; relief from filing proof of financial responsibility; compulsory auto insurance and unsatisfied judgment plans, and merit and demerit ratings.

Ralph Gould, motor vehicle safety director, is chairman of the commission.

New Empiro Member

Hartford County Mutual has established an inland marine department and at the same time has become a subscriber to Multiple Peril Insurance Rating Organization, marking its entrance into the casualty field.

B. O. Evans, Glens Falls Ohio Manager, Retires

Bert O. Evans has retired as Ohio manager of Glens Falls group, which he joined in 1926 as special agent. He later was promoted to state agent and when the Ohio department was created in 1951, he was named manager. He entered the business in 1919 following a period of law practice in Knox county, O., during which he served for a short time as county prosecutor. He will continue to make his home at Cleveland.

Key Man Cover, Other A&H Markets Discussed in Panel

(CONTINUED FROM PAGE 5)

is created in which the corporation could profit from the insurance and the employe get nothing.

Last year 25 to 30% of the total A&H business written by his group was on key man situations, Mr. Larson said. It is a quite useful sales approach. It is not an opportunity for mass sales; the key men must qualify physically. But casualty local agents especially find it a good way to serve their commercial accounts and develop additional A&H. The great majority of his group's sales in this field run three or four persons to the case, though one has between 300 and 400.

If the benefits of key man coverage are payable to the employer, whether by third party application or by assignment, the employer cannot deduct premiums for income tax purposes, though he can if the benefits are payable to the employe, it was brought out.

The maximum weekly indemnity written for key men is $125 for his company, Mr. Larson said.

Mr. Jones agreed that key man cover offers a big opportunity to salesmen. Mr. Parker said most of Guardian's key man insurance is paid by the corporation with benefits going to employes.

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Mr. Perkins was asked if he gets much call from his salesmen for deductibles or long waiting period forms. On key man insurance, yes, he said. One trouble with key man insurance is that the man who asks for it or pushes for the plan is often impaired. It may be the president. Mostly such insurance is sold for the purpose of salary continuance.

What about frill coverages, such as specific indemnities for certain injuries? Mr. Smith said that his group had experimented with such policies for some time but found that the casualty local agent dislikes to sell this type of coverage. With the kind of client they have, they do not want to sell anything special because they do not want to get themselves in the position of leaving something out of a coverage they place on a good customer. They prefer, insist, upon a complete package.

Reginald Brock of Great-West Life said that 65% of the A&H sold by his company is on its strip policy, a straight loss of time contract without waiting period for accident or sickness. Sickness need not be house confining. The policy pays two years for sickness and life time for accident.

In what income or occupational group is the business the weakest, or on what types of coverage?

Mr. Mueller said most companies are going after the medium and higher income groups. What about a policy or sales program for lower income people? The business is skimming off the top; there are a lot of people who need the protection who are not being sold.

Many life agents are not reaching the lower income market with life insurance, Mr. Anderson commented. Mr. Smith commented wryly that casualty agents say life agents are soaking up all the expendable income with life sales so the casualty agents can't sell A&H. He added that 90% of his A&S sales are on A and B occupation classes and in the higher income brackets. His agents, he said, make no attempt to sell lower income groups.

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As A&H becomes more competitive, companies will need to move into markets that are underdeveloped, J. M. Wickman of Mutual Life suggested. Harry L. Graham of Bankers Life of Iowa said farmers buy only hospitalization; it is almost impossible to sell them A&H. Mr. Jones commented that it is up to company management to put in the hands of agents the tools with which they can develop other markets.

Many agents take orders for hospitalization because it is popular and easy to place, Mr. Anderson said.

He thinks there is a tremendous market for non-occupational coverages. Mr. Smith said his agents don't sell it.

As to major medical, Mr. Anderson observed that salesmen who make this approach often end up by selling hospitalization because the deductible and coinsurance frightens the prospects. Much of what major medical has been sold so far has been in the metropolitan areas, by brokers, in the high income classes. He believes a lot of education will, however, develop a big market for major medical.

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How do companies use A&H to recruit new agents? Mr. Mueller said managers should not be blamed too harshly for failing to add as many agents as the home office thinks they should have. It is hard to get good men, whether in a home office underwriting department or in a sales office in the field. He believes general agents and managers are doing an excellent job screening men before hiring. They make a big investment in new men, consequently they are careful. Despite this, they sometimes recruit a character.

A&H does solve the problem of getting sales for the new man quickly so he can stay in the business. He cited the case of a salesman who failed in the life business and left it, but came back in by the A&H route and is now quite successful at both A&H and life.

How should the A&H opportunity be presented to the new man? Mr. Jones suggested projection of renewals and new business so he can see the effect on earnings. Mr. Perkins advised showing also other products the company has. He warned that managers howl for A&H and when they get it the company has to sell them on it all over again.

In training, Mr. Jones said the main effort with the new man is to get him

to earning dollars. The older men won't really get into A&H enthusiastically until something happens; for example, he is asked by a client for A&H coverage. A&S fits in with the merchandising philosophy of Mutual Life, he said, the sale of insured income, and training is integrated with that for life insurance.

Mr. Perkins emphasized the wisdom of having underwriters know agents. In his company the underwriters present the contracts and play hosts to the new men, so that when the latter go out to sell they know well the underwriter who is going to pass on their business. Union Mutual has introduced the new practice of having the chief underwriter visit every agency.

His company leaves training to the general agent, Mr. Mueller said. The company has an A&H course and the home office grades the papers.

Mr. Smith pointed out that his company does not start new agents. All of Royal-Liverpool's training is for special agents and representatives. The local agents who sell the customers are already established.

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On the casualty side, Mr. Larson said, there is a home study course for all lines with A&H featured, and the Aetna Casualty home office school has trained 4,000 agents. A&H is a very good line with which to demonstrate to the new man that selling still is needed in the fire and casualty business.

New York Life's A&S training is integrated with its life training course, Mr. Anderson said.

Has any training operation solved completely the problem of getting proper underwriting of the business in the field or the proper completion of applications? This question was left unanswered.

Does any life company use a special agent on A&H, Mr. Perkins wanted to know. Berkshire Life has half a man; he spends half his time on life. The results for A&H have been good. William Davis said State Mutual Life has a special A&H man who works out of the agency department, and this has proved effective.

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Mr. Smith said Royal-Liverpool trained eight special representatives for A&H work and in a few months they were producing $1,500 to $6,000 of new commercial A&H business per month in areas that formerly had yielded $200 to $700 a month. This effort snowballs. The only way to get A&H business is to go sell it, he said. The long life of A&H business makes the investment of this kind of effort pay.

Al Hvale of Continental Casualty noted one advantage of developing special A&H coverages, that they have a low acquisition cost, and if a company has a substantial amount of this business it brings down the over-all cost of the business. Continental Casualty has a great many special agents.

J. H. Norton of Continental Casualty, New York, commented that the only way to sell A&H is to send someone out to talk with prospects, or to see that agents do this, and special representatives fulfill this purpose.

New York Life has A&S specialists in each of 11 agency divisions, who sell New York Life personnel and agents on A&S and A&S selling. They go out to some extent with agents to help sell but mostly they are keeping company personnel sold.

Mr. Smith said Royal-Liverpool has no persistency problem; he does not believe that other casualty companies operating through the local agency system have one. Local agents use a different renewal method than life or specialty A&H companies. Most casualty insurers send out the renewal two months in advance, in many cases the agents deliver the renewal. Insured is not faced with an almost immediate demand for money. Occasionally the agent banks for the good customer, he keeps the business in force until the customer can or does pay. Local agents sell A&H to only their best customers, consequently there is no lack-of-money reason for lapse.

"Our problem is how to discontinue a policy once it is on our books," he said with some humor, "when insured gets old or becomes impaired." The level commission also is a strong factor in the persistency of business. It is just as remunerative for the agent to resell the policy on renewal as to sell it the first time. The policy gets glued to the customer, he commented.

The new sale is important, he added. Part of good persistency is new customers. Each policyholder on the books gets a year older each year; consequently, new customers have to be sold to keep the over-all quality of the business up to level.

He predicted that in a few years the A&H business will be principally non-can. He thinks it may be the only way to stop the present tide of criticism. When volume was smaller, the public paid little attention to the business, but now that A&H is the third largest insurance line, the business is going to be continuously in the spotlight. Certainly non-can will cure the persistency problem.

The average life of the A&H policy

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Meet Need of Buyer by Taking New Look: Cooke

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sumer, and never mind what happens to the producer—and those which are designed to open the door to expansion for the producer, while at the same time making sure that the consumer gets a fair deal.

Because there are no government controls in England, in the day to day operation of the business there, the position of the underwriter is vastly different from that of the underwriter in the U. S. The position of the insurance buyer in each country is equally different. Some of these differences are striking.

Because of quite inflexible controls in the U. S. the insurance buyer who wants to cover a new business situation must first try to find a market that will accept a risk for which there may be no precedent. He may or may not find such a market here. In England, however, there is no such thing as trying to find a market. There is a market for any risk in which a genuine possibility of loss is involved. There is no such thing in England as lack of a market because of lack of precedent.

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The American underwriter must constantly bear in mind the regulations of the state in which he operates before he can consider the possibility of accepting a risk, let alone quote it. In England there are no such hurdles. There is only one thing the British underwriter has to consider—whether he wants to underwrite the risk that is, whether there is a chance to give service and make an underwriting profit—and nothing else. It is as simple as that.

If a particular kind of business operation is found to be worth while in one country, it seems hardly in the best interest of another, whose background admittedly is different, to say: "Well, we just can't do that because our people are not accustomed to it." Should a worthwhile objective be discarded only because a different method might have to be devised to attain it? Is it entirely correct to say that certain things can be done in England, and not in the U. S. without making an attempt to look into whether the same objectives could be reached by the use of somewhat different methods?

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For example, the roofs of many churches in England, particularly those dating back some hundreds of years, are largely made of lead. There has been a tremendous increase in the price of lead over the past few years, from 6½ cents a pound during the war to 14 cents at present—a little over 100%. The English criminal element, which can match that in the U. S. for skill and alertness to a good thing, was quick to see that at that price it would be remunerative to strip the churches of lead coverings. As a result, churches that had roofs at night found themselves without them in the morning. Normally, risk of theft of building or parts of building is not covered, but a market was immediately established against this risk. The majority of the churches in England now carry policies indemnifying them against this loss.

Another example: In the drive for exports in England, one order for heavy duty machinery such as mill or power plant equipment may have to be split up among as many as a half dozen manufacturing companies, each producing different parts which have to be assembled to operate as a unit. Because there were up to six suppliers for one contract, the buyers, whether foreign governments or private companies, understandably demanded bonds guaranteeing that the equipment, when assembled, would work as advertised, and that there would be no confusion or argument about who would provide maintenance. This situation was met at once by the English insurance market with bonds with the specific purpose of covering all the manufacturers under one bond. In this way, the manufacturing and export houses were enabled to deal exclusively with their part of the job, without worrying about how they could jointly overcome the lack of a single point of responsibility which, up until the issuance of the bond, had made buyers reluctant to place their orders.

A further example is that of twin insurance, in existence for many years. The idea is to cover the immediate additional expenses to which the parents are put in such an otherwise happy event. Mr. Cooke conceived the idea some years ago that they would have even greater peace of mind if the sum insured was increased for other types of multiple birth. He amended his company's policy so that in the event of triplets it paid twice the sum insured, for quadruplets five times and for quintuplets ten times, at the same premium charged for twin insurance. Some months ago there was an endeavor by surgeons to separate Siamese twins born to West African parents. Following the publicity given to this case, and the expense involved in the operation, the policy was immediately altered so that the birth of Siamese twins now results in paying a loss on the same basis as quadruplets—that is to say, five times the benefits normally paid for twins, and this

again without any increase in the premium. There is not a large business in twin insurance. But it illustrates how British underwriters are free to take voluntary action to make a policy give the maximum of protection to insured, without prior approval or permission from any government authority.

During the war and for some time afterward gasoline was severely rationed in England, Mr. Cooke said. Hence motor car rates which had not been increased since the war remained fairly adequate. Suddenly, on a Friday afternoon immediately before a holiday weekend in 1950 the government announced the abolition of gasoline rationing. This meant that the mileage of motor cars would with equal suddenness be greatly increased, and that immediately there would be much more traffic congestion and many more road accidents. The same day gasoline rationing was abolished, Mr. Cooke's company increased all its motor car premiums in England 25%. It lost some business, of course, but when the year end came, its results on this class showed a profit margin which, though somewhat small, was better than being tied to a fixed rate structure which would have wound up the year, and subsequent years, with a substantial loss.

He said he was not suggesting that American insurers start a campaign to throw controls away. In view of the traditions, background and needs of the business here, this probably would not be wanted even by the insurers themselves. If by any chance it could be done, it would probably be disastrous.

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He did suggest, however, that where there's a will, there's a way. Some years ago, every jewelers block policy, bridge policy, salesmen's floater, all risks fine art, all risks jewelry policy, for firms and people resident in the U. S. was placed in the London market. This was because there was no way in which the business could be written in the U. S. Eventually, the idea of establishing an appendage to the ocean marine business to take care of this type of business was thought out, and this new idea was given the title of inland marine. Even so, the difficulty for the American market was that very few people over here had know-now, and as a result the London market came in as reinsurers anyway, frequently for as much as 90 to 95% of the business, on a quota share basis—making available to the original company the English underwriters' experience in this field which has now become such an integral part of the American insurance picture. What could not be done in the U. S. suddenly could be done, when a way was found to do it. It seems obvious, therefore, that the statement that it can't be done here means only that is may never have been done—and not really that it can't be done.

There exists a widespread misconception in the U. S. that one reason it can't be done here means only that Lloyds controls the British insurance market, and that there is nothing here that compares with or can compare with Lloyds. While Lloyds underwriters do over 50% of the marine business in the United Kingdom, they do only about 15% of the total of the rest of the insurance business, certainly not a controlling factor.

"It seems to me that you and we will do even more business together than we do now, when we both see a little more eye-to-eye on the basic philosophy of insurance underwriting—when you have a greater knowledge of what we do, and why—and when we, on our side, have a better understanding of your problems and difficulties," he said.

Urges Conference on Direct Writers

The need of a conference of top agency insurer executives to explore at the highest administrative level the deteriorating situation with respect to the competitive inroads of direct writers was urged by Alex Goldberger, Brooklyn broker, at the May meeting of Brooklyn Brokers Assn.

He said he was not necessarily thinking in terms of cutting costs, streamlining efficiency or chopping away at commissions. But, in view of the glowing year-end reports made to the stockholders of many leading companies, it is obvious that a large segment of the most influential executives have not adequately evaluated the inroads made on the business and do not realize the fears and tensions which beset the producers. He doesn't believe agents are talking about the dangers of the situation just to attract trade paper headlines.

Citing recent speeches by company executives and agents on the direct writing dilemma, Mr. Goldberger observed that they all seem to pick on price as the only factor that has contributed to the huge growth of direct writers. Refuting this contention, he said he did not believe that price is of such significance. The old line companies that continue to proclaim their faith in the agency system have been instrumental in pushing a vast amount of premium volume right to the counters of the direct writers because of their own rigid system of underwriting.

When agents complain about this weakness in the agency system, he said, they are met with a knowing smile and the implication that, given enough leeway, these direct writers will collapse from their own success.

He also criticized the methods of underwriting business and handling agents' accounts, declaring that the underwriter expresses neither concern nor curiosity as to the nature of the accidents which created the experience, particularly in the automobile field.

What is not recognized, Mr. Goldberger said, is that the people who own the automobiles involved in accidents resent their rejection by insurers and such resentment is passed on to friends and relatives. From the agents' point of view this becomes a formidable link in a vicious circle, which if not arrested, may ultimately strangle them. They have but to note that, encouraged by their own success, competitors are expanding out of automobile into other casualty and fire.

Safeco Enters Tennessee

Safeco has qualified for operation in Tennessee, the 27th state to be entered.

William C. Murray, president of Utica Radiator Corp., Utica, N. Y., and a Commissioner since 1944 of the State Fund, workmen's compensation insurer of New York state, has been elected vice-chairman of the fund's board, succeeding Maj. Gen. William Ottman, deceased.

F. C. & S. Gathers Facts on New Dwelling Covers

(CONTINUED FROM PAGE 3)

sured has used due diligence about maintaining heat or the systems, etc., have been drained and water supplies shut off.

2. Insects, including a specific reference to termites; deterioration; smoke from industrial operations; rust; wet or dry rot; mold; mechanical breakdown; "normal" settling, shrinkage or expansion in walls, floors or ceilings.

3. Surface waters, flood, waves, tide or tidal wave, high water and overflow of streams or bodies of water. Note that there is no exclusion of backing up of sewers or drains.

4. Landslide or earth movement damage to separate *retaining walls* and damage to such walls caused by water pressure.

5. Loss by theft of property which is not an integral part of a building or private structure at the time of the loss. Theft from a building in course of construction is also excluded.

6. Loss occasioned by the enforcement of any demolition, construction or repair law or ordinance.

7. War risks and atomic fission under the inland marine type of exclusion.

The usual rate for the SHO contract is the fire insurance rate applicable to the dwelling, plus a loading of 22 cents. The loading varies for some states. Generally, it is made up of the EC and AEC rates of the territory, plus 8 cents for coverage beyond this. However, the rating formula as published is the fire rate plus a *single loading.*

For removing the deductible, there is a rate of 4.8 cents, with a minimum annual additional charge of $20. Some companies are writing SHO for a loading one or two cents lower and, while using the 4.89 cents additional rate, for full coverage do not specify a minimum additional charge for this. Most companies are understood not to be interested in writing this type of contract for a risk with values lower than $7,500.

In addition to SHO, the *all risks* dwelling field includes the comprehensive dwelling endorsement of Transportation Insurance Rating Bureau and the comprehensive extended coverage endorsement of one large insurance company. There are other *all risks* contracts—most of which are close to one of the three mentioned. The T. I. R. B. form was the first all risks dwelling endorsement to be introduced by a bureau and has been in use for a number of years.

Inter-Regional Form

In the *named perils* field, the most outstanding current development is the dwelling buildings and contents broad form recently recommended by Inter-Regional Insurance Conference for adoption by the fire rating organizations. This form closely resembles the broad dwelling form which has been popular on the Pacific Coast for more than a year, going a step or two further by adding a new insured peril—artificial electrical damage to electrical devices and wiring (except TV picture tubes)—and broadening particulars somewhat. The most important improvement is that the Inter-Regional form may be used to insure the contents or the building or both.

(The California broad form contains a very liberal water damage section, including damage from accidental admission of rain, snow, hail, sand or dust directly to the interior through defective roofs, leaders or spouting or through open or defective doors, windows, skylights, transoms or ventilators. However, the Inter-Regional form has not adopted this feature, nor has it been included in the broad form used in Pacific Coast states other than California.)

The dwelling buildings and contents broad form is a single endorsement for use with the standard fire policy to provide coverage on dwellings, outbuildings, household contents, rental value, additional living expense and trees, shrubs and plants. Coverage goes somewhat beyond a simple combination of the usual dwelling and contents form with EC and AEC.

As in the SHO contract, coverage on buildings and structures is on a replacement cost basis, if the amount of insurance is at least 80% of the full replacement cost of the damaged or destroyed building. If, however, a loss amounts to less than $1,000 and is less than 5% of the amount of insurance applicable to the loss, replacement cost cover applies, whether or not insurance is 80% of full replacement cost.

The insured must rebuild on the same site with "due diligence and dispatch."

There is a time limit of two years which may be extended by the company.

There are 10% extensions of the dwelling amount on outbuildings and private structures and rental value and additional living expense (10% total as to these). Ten per cent of the contents amount is extended to cover property away from the premises, not including canoes, rowboats or animals. The Inter-Regional form covers property removed for preservation or repair, under the same circumstances as the SHO form, for 30 days.

There is also an extension of 5% of the dwelling amount to cover trees, shrubs and plants (not lawns), subject to a limit of $250 on any one tree, shrub or plant.

Improvements, alterations or additions to dwellings and outbuildings are covered up to 10% of the contents amount when these have been made to a building of which the insured is *not the owner.* There is no requirement that these have been made by the insured. However, the insurable interest of a tenant in improvements not made by him would undoubtedly be questioned and claims resisted unless it were apparent that the landlord had no intention of replacing these following a loss and that the tenant were under an obligation to restore them, or felt it necessary to do so for his proper enjoyment of the premises.

The usual provisions applicable to the perils of the extended coverage endorsement apply to the comparable perils of the Inter-Regional form, with the following exceptions:

1. There are no special provisions concerning *explosion.* Thus, steam boiler explosion (except in states where this coverage may not be written by a fire insurer), is covered, as is damage caused by rotating parts of machines or machinery, to the degree that these might be "explosions." This also means that the now common exclusion of *electrical arcing, water damage* and *bursting of water pipes* is absent from the Inter-Regional form, with the result that these would also be covered if they are "explosions."

2. *Vehicle damage* is not restricted to that caused by direct contact of the vehicle with the building and, except as to trees, shrubs, plants, lawns driveways and walks, there is cover-

age even if the car is operated by the insured or any other occupant of the premises. As to trees, shrubs, plants, lawns, driveways and walks, there is a specific exclusion of damage done by any vehicle owned or operated by an occupant of the premises, but damage to these done by any other vehicle is covered. There are no special provisions applicable to *aircraft damage*.

3. The *smoke damage* feature of the Inter-Regional form is not limited to faulty operation of heating or cooking units on the premises. Further, there is no requirement that heating and cooking units be connected with a chimney. Damage from agricultural smudging or industrial operations is excluded, but smoke from burning trash, for example, or an outdoor grill—on the insured's premises or away from them —is apparently covered, if such damage is sudden and accidental.

4. The "sit down" strike provisions of EC are not stated in the *riot* coverage of this form. This does not mean that such damage would not be covered, but, because the form involves dwelling risks only, it was apparently considered unnecessary to include this language.

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As compared to the 1953 edition of AEC, the Inter-Regional form differs in the following particulars:

1. There is no exclusion of backing up of sewers and drains.

2. The exclusion of earthquake, flood, high waters, etc.—applicable in AEC to all insured perils—applies only to rupture, etc., of steam and hot water heating systems and domestic water heaters, falling objects, collapse, landslide, discharge, etc., of plumbing and heating systems and appliances, and glass breakage.

3. The fall of trees coverage of AEC has been broadened to include fall of *any object*, specifically including trees and limbs. The cost of removing fallen objects *from the premises altogether* is newly covered. An important provision is that damage to building interiors or contents is not covered unless the outside roof or walls are damaged too. Also, damage from objects falling on or near outdoor equipment, fences, driveways, walks, lawns, trees, shrubs, plants, separate retaining walls and bulkheads—excluded in AEC—is covered under the Inter-Regional form.

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4. The provision of AEC applicable to damage by vehicles is incorporated in the single provision applicable to vehicle damage in this form. There is, as noted previously, no requirement of direct contact with the building, and only damage to trees, shrubs, lawns, plants, driveways and walks is limited to vehicles owned or driven by someone other than the owner of the premises or an occupant. Thus, vehicle damage to fences, outdoor equipment, retaining walls and bulkheads—even if done by a vehicle owned or operated by an occupant of the premises—is covered.

5. Damage by burglars to property not removed from the premises has been separated from vandalism and malicious mischief. Glass breakage resulting from vandalism, covered in the older contract, is excluded under the Inter-Regional Form.

6. The coverage of damage from weight of ice, snow or sleet has been broadened. Under AEC, this includes only damage by objects falling from such weight, while, under the Inter-Regional form, any resulting physical injury is covered. The feature does not apply to trees, shrubs, plants, lawns, separate retaining walls, outdoor equipment, fences, driveways or walks, nor is this property covered against collapse or landslide. If, however, there is damage to any of these items—trees, shrubs, etc.—resulting directly from collapse of a building, there is coverage.

7. The landslide hazard is not subject to an exclusion of subsidence, a feature of AEC which has caused considerable discussion, since nobody seems to be able to give a suitable definition of "subsidence."

A $50 deductible applies to each occurrence involving any of the following perils: accidental discharge, leakage or overflow of water or steam from plumbing, heating or air conditioning systems, etc.; tearing asunder, cracking, burning or bulging of domestic hot water heaters; glass breakage; freezing of plumbing, heating or air conditioning systems or domestic appliances and artificial electrical injury to appliances, etc.

The loading recommended for this form is 6 cents over the fire and EC rates. This is 2 cents more than the 4 cents which is the rate in most territories for AEC.

Package Policies

In the *package policy* field, there offerings. There are, on the one hand, are presently two different types of Homeowners policies A and .B of Multiple Peril Insurance Rating Organization (adopted recently with identical provisions and rates by Transportation Insurance Rating Bureau). Additionally, there is a new offering, the Comprehensive Dwelling policy, recommended to the rating organizations of various territories by Interbureau Insurance Advisory Group.

The Homeowners policies (which are written by a number of insurers independently of Empiro but in substantially the same form).

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In general, package policies provide *named perils* coverage on dwelling buildings, outbuildings, private structures and contents and insurance against loss or rental value and additional living expense, plus theft coverage and comprehensive personal liability insurance.

These policies are written at premiums which reflect a discount based upon economies in handling and expected greater volume of insurance to exposure. The *named perils* coverage on buildings and contents, like that of some of the more recent *named perils* forms, is somewhat broader than a simple combination of the forms and endorsements which would be necessary to provide insurance against the same perils.

The principal difference between the Empiro-TIRB Homeowners policies and the new Interbureau package is that all coverages are mandatory under the former, with each amount of coverage—as to dwellings, outbuildings, contents, etc.—a percentage of the dwelling amount, while the insured may select the amount of coverage and the items of property or coverages he wishes to have insured, subject to certain minimums.

As between the two Empiro policies A and B—the only differences are that the former does not insure against AEC perils and the additional living expense coverage of the latter is 20% of the dwelling amount as opposed to 10% of this amount under policy A.

The perils covered under Homeown-

(CONTINUED ON THE NEXT PAGE)

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ers policy B are fire and lightning, EC, AEC and theft, plus comprehensive personal liability, including coverage of the insured's liability for fire, smoke or explosion damage to residential premises or furnishings in his care, custody or control.

Special tables in the Empiro manual apply prescribed percentages to the elected dwelling amount to arrive at the amount of coverage on outbuildings, contents, etc. The prescribed percentages are: outbuildings and private structures, 10% of the dwelling amount; contents on premises, 40%; contents off-premises, 10% of the contents amount, but not less than $1,000; additional living expenses, 20% of the dwelling amount (10% in policy A), subject to a limit of 25% of the amount of coverage applicable to additional living expense for any 30 day period.

The comprehensive personal liability coverage basic limit is $10,000 per occurrence and medical payments coverage has a standard limit of $250 per person.

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Limits applicable to CPL and medical payments may be increased by adding charges indicated in the manuals, and there are schedules of additional charges for medical payments at dwellings other than the insured's principal residence and for more than two full time residence employes. Amounts applicable to other features of coverage may not be varied.

There are limits under the contents item of $500 on boats and their equipment, $100 on money, $500 on securities and manuscripts and, as to theft only, $1,000 on any single unset gem or article of jewelry or fur.

A $50 deductible which is mandatory and cannot be removed applies to the AEC perils. The only exception is that vandalism and malicious mischief to the interior of an insured building is fully covered. As to windstorm and hail, Empiro follows local rules.

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Three year premiums for the Homeowners policies are shown in tables in the manuals as well as five year premiums. These are indivisible except for separate charges prescribed for increased limits applicable to comprehensive personal liability, residence employes in excess of two and additional residences.

Depending upon location, construction and amounts of coverage, premiums for Homeowners policies are from 15% to 25% lower than the sum of premiums developed at the customary rates for comparable coverage.

Unlike the Homeowners policies, the new Interbureau package is to be filed by the fire rating organizations of the various territories. The policy contains a schedule of "coverage groups," consisting of fire insurance, EC and AEC on the dwelling, outbuildings, contents, trees, shrubs and plants, rental value and additional living expense (group A); theft insurance covering property on the premises and away from the premises (B); comprehensive personal liability and medical payments coverage (C); *named perils* floater coverage (D); and scheduled coverage on glass which is not covered by the glass breakage feature of AEC (E). Coverage of the insured's liability for fire, explosion or smoke damage to residences or house furnishings in his care, custody or control is included in group C.

There is a discount of approximately 15% overall which may not be applied unless there is written coverage on the dwelling and contents against fire, EC, AEC, on-premises theft and comprehensive personal liability. To qualify for the discount, coverage group A must amount to at least 80% of value. The underwriting rules indicate that it is expected that on-premises theft insurance should be at least 40% of the contents value or $10,000, whichever is less. Existing insurance for which credit has been given under a pick-up endorsement may be included in determining eligibility for the discount.

The policy may be written to cover the dwelling only, against fire, EC and AEC or contents only, against the same perils. However, there will be no rate discount if the requirements described above are not met. Theft insurance and the off-premises named perils coverage on personal property may not be written unless there is fire insurance, EC and AEC on contents. On-premises theft coverage may not be written for less than $1,500 and the lowest permissible amount of off-premises theft is $1,000. Further, off-premises theft insurance may not exceed the on-premises amount. The minimum permissible amount of floater coverage is $1,000.

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If the policy is to be written as a package—that is, subject to a discount—a minimum premium of $125 applies, regardless of term.

Extensions of coverage group A (fire, EC, AEC) are 10% of the dwelling amount on outbuildings; 10% of the contents amount on property away from the premises; and 10% of the dwelling amount to cover rental value or additional living expense or, subject to a total of 10% of the dwelling amount, both.

Rental value coverage, as an extension, is subject to a limit of 1/12 of the 10% of the dwelling amount for any one month. Similarly, as an extension, additional living expense insurance is limited to 25% of the 10% of the dwelling amount for a month. If, however, these coverages are written specifically—by insertion of an amount of coverage in the schedule and, of course, payment of the applicable premiums—there is no limitation on the amount of recovery for one month. Either way, the common "due diligence and dispatch" provision applies.

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Trees, shrubs and plants must be specifically insured, subject to limits of $300 per tree, $25 per shrub and $5 per plant.

There is no deductible in the basic Interbureau contract. If the insured wants one, however, it may be written applying to vandalism, water damage, weight of ice, snow or sleet, collapse and glass breakage.

A unique feature of the Interbureau package is a newly acquired premises clause. Under this, the insured has coverage—under any of the "groups" written—at any new residence. The company must be notified within 10 days and an additional premium paid.

Fire insurance, EC and AEC are essentially the same under this policy as in separate forms providing this coverage. Landslide—covered under the 1953 AEC endorsement—is excluded under the Interbureau policy.

Farmers and Foremost in N. J.

Farmers of Los Angeles has been licensed in New Jersey.

Foremost of Grand Rapids, which writes principally finance automobile business has also been licensed in New Jersey.

Pacific Indemnity of Los Angeles has been licensed in Ohio.

Bureau Panel Discusses Current A&H Market

(CONTINUED FROM PAGE 29)

is 11 years in Mr. Larson's company. He said it would be lower if the business were sold on cold canvass and without resale by the agent. If the agent uses A&H as a quick producer of income only, he will have trouble with persistency.

Mr. Jones and Mr. Mueller said their companies paid extra for persistency.

Mr. Mueller said his company shows the premium on its presentation brochures. Mr. Perkins said Union Mutual had a manual, discontinued it, and then brought it back. It is not complicated and agents use it. Mr. Jones said Mutual Life has a proposal form with rates and application attached, but no rate book. It has a simplified rate calculator. Mr. Smith said most of the selling for his group is from a sales kit.

Mr. Larson said his company has a simplified A&H manual but for a long time he thought agents were using the fine presentation folders the company got out in order to make their sales, but discovered that they were using the manual. The company now uses a folder with rates attached.

Anything the company does to simplify the agent's sales task and make his life less complicated will stimulate sales, he said. One policy, for example, that was selling 6th or 7th in the Aetna Casualty list, climbed to the top (and has stayed there) after the company eliminated the necessity of the agent getting signatures of wife and child on the application.

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In fire and casualty, customers of local agents buy fire, workmen's compensation, automobile insurance, etc., but they rarely buy A&H. That has to be sold, Mr. Larson said. This poses a problem to which sales campaigns are the answer. His group sells 50 lines of insurance, and A&H is just one line, though a profitable one.

Local agents are independent contractors, and they have to be induced and persuaded to sell. The agent who will not work for a commission will do so for a waffle iron or a bicycle, especially if mama and the son find out about them. Particularly is this true when the waffle iron and bicycle are extra over the regular commission. Possession of such items won in a sales contest also does something for the agent's ego: he can show the items with pride and tell how he won them.

Sales campaigns, such as those conducted by Aetna Casualty on Fridays the 13th, he said, will not solve all the sales problems, but they produce excellent results.

O'Hanlon Moves in Detroit

O'Hanlon Reports has moved its Detroit office from the Penobscot building to larger quarters at 16525 Woodward avenue. The office is managed by H. A. Stackhouse. The new telephone number is Tulsa 3-3272.

Squirrels are Not Vermin

A squirrel is not a vermin, Georgia court of appeals held in North British vs. Mercer. The action was under a personal property floater, which is all risks except damage caused by moths, vermin and inherent vice. Bessie W. Mercer of Savannah sued for $179 damages caused when a squirrel came down a chimney and destroyed or damaged furniture and furnishings.

The court held in its opinion that the brief of counsel for North British included an excellent recipe for squirrel stew and that "vermin" is a harsh word to hurl at "our little friend the squirrel".

Both the local agent and the state agent of insurer recommended payment of the loss. The insurer in its defense assumed without any evidence that all rodents are vermin. The plaintiff was also awarded attorney's fees.

Pioneer Auto Names Two Field Men in Illinois

Pioneer Auto, the Alabama reciprocal non-drinker insurer, with executive offices in Chicago, has named John Esford northern Illinois field man and M. I. Sorg, special agent for central Illinois with headquarters at Urbana. Mr. Esford has been with Youngberg-Carlson in Chicago for seven years, and Mr. Sorg was a local agent in Fostoria, O. According to a company release, no business is accepted in the metropolitan Chicago area, although a large volume has been developed in Chicago suburban and northern Illinois communities.

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Fireman's Fund Insurance Group has a new Pittsburgh service office at the corner of Fourth Avenue and Wood Street, Pittsburgh 22, Pa.

Auto Rates Revised in Conn., Del., D. C.

Revisions in rates and rules for private passenger material damage coverages, farmers private passenger automobile collision and commercial local hauling collision filed by National Automobile Underwriters Assn. in Connecticut, Delaware and District of Columbia have been approved, effective June 7.

In Connecticut the changes will result in an annual decrease of $657,000 on material damage coverages. Private passenger collision $50 deductible rates are decreased 4%, $100 deductible, down 5½%. This coverage has also been modified to include a 20% reduction on farmers private passenger automobiles. Commercial local hauling collision rates are down 5%.

An annual savings of $118,000 will result from changes in Delaware. Private passenger collision $50 deductible is decreased 3½%, $100 deductible, down 4½%. The classification was also changed to include a 20% reduction for farmers. Commercial local hauling collision rates are down 5%.

In the District of Columbia the annual decrease under the new rates is $570,000. Private passenger collision $50 deductible is down 12%, $100 deductible, down 11%. Farmers private passenger collision rates are decreased 20%. Commercial local hauling collision rates for $50 deductible are down 6%, $100 deductible, reduced 8%, and $250 deductible, increased 9%.

Baltimore Underwriters Plan June 13-15 Program

The agenda for the summer convention of Baltimore Assn. of Insurance Underwriters, June 13-15 at Ocean City, Md., will include a talk by Roy Duffus, local agent of Rochester, N. Y., on how to be a better agent. George Salter, vice-president of Providence Washington, will speak on how to meet direct writer competition, and W. Lee Elgin, former Maryland motor vehicle commissioner, will discuss Maryland's need for a traffic safety program. The afternoon of June 14 a seminar on new dwelling policies will be held.

Opens Southwest Office

Norfolk & Dedham Mutual Fire has appointed Eugene S. Ross manager of the new southwest branch at Fort Worth. He at one time was fire prevention engineer of Fort Worth.

BUT WHO IS ASKING?

Time for Local Agent to Ask Local Citizen to Buy Auto Insurance

By KENNETH O. FORCE

There are a great many things to be said about the automobile insurance business, and a great many persons have been saying them. More and more will be said and written. But in addition to calling attention to some trends, the intention here is to emphasize one point, that the successful specialty companies in this field have been asking people to buy automobile insurance, with minor exceptions, for eight years, while agency companies and agents have not been doing so with minor exceptions, for eight years.

The first step in making a sale is to ask someone to buy, and without it nothing is accomplished. All other arguments and devices fail. It is at this point that the successful specialty companies have out-competed the agency companies for a long time, pretty much by default, it is true. However, judging by the evidence, the specialty companies are still out-competing the agency companies at this step in the sale of coverage. They are asking more people to buy. The agency insurers, and only some of them at that, are only beginning to get back into competition.

In spite of many other matters of serious import in the auto field, including price and expense and selection, there has not been a real, general competitive test between the local agents and the controlled agents of specialty companies for years. When local agents get out and ask for automobile business to the extent that specialty salesmen have been doing, when they match the specialty company agents call for call, it seems likely they will get a considerable amount of automobile volume.

One thing is certain. The automobile insurance line has grown into a $4 billion a year volume, by far the largest in the fire and casualty field, and it worth all the study and argument that is being devoted to it.

Theme Is Competition

Competition is the dominant theme today. It will intensify as time goes on. Certain factors with unavoidable momentum make this inevitable.

The financial responsibility laws have been almost liquidated as a force in the initiation of new business. Now that Arkansas, Missouri and North Carolina have joined the parade and District of Columbia has approved such a measure, only Kansas, New Mexico and South Dakota lack security type FR laws. Their motor vehicle population does not represent a significant potential addition to the total.

Since the first security type FR law went into effect in New Hampshire 17 years ago, state after state has enacted the legislation, with the effect of far more than doubling the percentage of insured motor vehicles in each case and adding a vast amount of premium to the total.

The other large contributor to premium volume has been the increase in motor vehicle population. In 1953 registrations of motor vehicles in the United States, all types, totaled 56,-279,864. Of these 46,460,094 were passenger cars, 9,575,519 were trucks and 244,251 were buses.

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In 1937 this figure was about 27 million. In 17 years, the motor vehicles in use in the U. S. have almost exactly doubled. The dollar value represented in the vehicles on the road today compared with 1937 have considerably more than doubled.

In 1937 written automobile premiums, bodily injury and property damage liability and physical damage, all insurers, was approximately $610 million. The 1953 total, approximately $4 billion, is close to seven times that figure.

This vast increase in the dollar intake of insurers reflects almost wholly the doubling of automobiles registered and the FR law stimulation of insurance.

The per unit price for coverage has, on the other hand, gone up startlingly little. This is with the exception of PDL and particularly collision, which reflect more or less directly the rise in car price.

For 10/20/5 limits of bodily injury and property damage liability, the premium in 1937 on a Chevrolet in New York's territory 1, New York City was $121.50 ($103.50 BI and $18 PDL). Today for the same limits and coverages, for a comparable Chevrolet, in the same territory, the premium is $144.40 ($110.40 BI and $34 PDL). In 1937 it cost $53.80 for comprehensive and $50 deductible collision on a new Chevrolet with a factory list price of $625 ($20.80 comprehensive, $33 collision). Today the premium is $142 for comprehensive and $50 deductible on a new Chevrolet with a factory list price of $1,615 ($28 comprehensive and $114 collision).

Today both of these chief causes for the vast expansion of auto premiums, the increase in MV population and the increase in the percentage of insured cars, are slowing down. There will continue to be some influence from FR laws, perhaps for several years. But the day of the big jumps, from 30% to 80% or more, are over. There has been a marked slow-up in the acceleration with which new vehicles are being added to the registration lists. Even though the MV population will continue to grow, it will do so a good deal more gradually than it has been doing. In the foreseeable future there will not be again as there has been in recent years big spurts resulting from being tremendously belted by inflation after a 15-year period of starvation of car desire and need that developed in a long depression and in the war-with-rationing that followed.

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With the leveling off of the auto premium volume, the competition is becoming real. It has been largely fictional for eight to ten years. Presumably the large, aggressive writers of automobile business, specialty or local agency, intend to continue to grow—though certainly not so rapidly as in past years. Then they are going to have to take business from other companies. No longer available is a big flow of new business, business that previously no one had. The devices of competition are being sharpened—price, classification, short term policies, extensions of coverage, etc.

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One thing that will be tested that is a good deal more important and significant that competitive devices is the local agency system of distributing insurance. The business is now in the initial stages of testing this way of doing business, a way that is old, strong, and full of tradition. This is the test that is attracting attention because a lot of people are involved in it, a couple of hundred thousand local agents and their businesses and futures, a couple of hundred local agency insurers. On the other hand are the speciality companies operating with controlled sales prsonnel. Here, too, a lot of people and a lot of money are involved; here, too, thousands and thousands of careers are at stake. The specialty companies are made up of men and women also. Successfully competing with them is not going to be accomplished by getting angry and giving them the double whammy. It has to be done with competitive, not personality, weapons.

The significant point to keep in mind in the competitive tussle that is intensifying rapidly, is that specialty companies have been asking automobile owners to buy and local agents have not. The specialty companies have been merchandising automobile insurance as aggressively as possible, with the exception of a couple of years, since 1946. They merchandised before, but at about that time the agency companies ceased to promote automobile and became positively reluctant when confronted with new automobile insured. Many agents did not object to this reluctance to write business. With inflation and an ex-

1953 Auto Premiums Barely Miss $4 Billion

With an aggregate increase of $548 million, automobile premiums written in the United States last year amounted to just under $4 billion, the total being $3,914,244,396. Losses at $1,981,-463,596 produced an overall loss ratio on an earned-incurred basis of 50.7% as compared with 55.2% in 1952.

The increase in premiums in 1953 was $64 million greater than the increase in 1952, and the $4 billion mark for auto business is in the bag for this year. Automobile insurance hit $2 billion in 1948, and in 1952 the $3 billion level was passed.

Last year the stock companies writing full coverage automobile insurance accounted for slightly less of the total percentage, 53.6, as compared with 53.9 the preceding year. The stock companies writing physical damage only also showed a slight decline in the percentage picture, dropping from 16.6 in 1952 to 15.4 last year. The mutuals, which in 1952 did 23.1% of the automobile business, last year accounted for 24.6%.

The increase in premiums in the tables in this issue are computed on a company by company basis, and because figures for prior years have not been adjusted to show mergers of companies, retirement from the auto business, receiverships, changes in classification (such as a switch from writing physical damage only to full coverage) it is impossible to subtract 1952 premiums from 1953 to get the dollar increase.

No company shown in the 1952 automibile issue is missing from the 1953 tables, and there have been additions of new companies and several companies whose business was not available in 1952 are reported on this year. Figures have been checked after they were run through the adding machine, and the percentage of error in each tables is less than 1/10 of 1%, in the aggregate being approximately .05.

FIVE YEAR AUTOMOBILE INSURANCE EXPERIENCE EXHIBIT

	1953					1952		
	Earned Prems. $	% of Total	Increase in Prems. $	Losses Incurred $	Loss Ratio %	Earned Prems. $	% of Total	Loss Ratio %
Stock Full Cover	2,100,653,465	53.6	298,256,594	1,059,113,872	50.4	1,799,314,785	53.9	55.8
Stock Fire	601,143,054	15.4	36,748,780	300,735,654	49.9	552,671,320	16.6	53.9
Mutuals	961,744,049	24.6	176,796,494	495,639,122	51.5	767,114,964	23.1	54.2
Reciprocals & Lloyds	250,703,828	6.4	36,304,569	125,974,948	50.2	214,697,937	6.4	54.6
Totals	3,914,244,396	100.0	548,106,437	1,981,463,596	50.7	3,333,799,006	100.0	55.2

	1951			1950			1949		
	Earned Prems. $	% of Total	Loss Ratio %	Earned Prems. $	% of Total	Loss Ratio %	Net Prems. $	% of Total	Loss Ratio %
Stock Full Cover	1,507,667,090	52.3	58.4	1,290,454,065	50.7	50.3	1,100,036,830	44.6	44.6
Stock Fire	544,144,372	18.9	51.5	533,869,686	20.9	43.4	677,439,147	27.5	31.0
Mutuals	646,745,467	22.4	53.9	560,526,483	22.1	47.7	531,189,284	21.5	38.5
Reciprocals & Lloyds	184,367,271	6.4	55.8	162,391,477	6.3	47.6	157,895,442	6.4	37.2
Totals	2,882,924,200	100.0	55.9	2,547,241,711	100.0	48.0	2,468,560,703	100.0	37.6

panding economy there was an increase in the business flowing into their offices and in the details they had to handle at a time when help was hard to get and was untrained, unskilled when they got it.

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But today the contest is on. The local agents are at bat. Quite a few insurance people have implied or said that it is the ninth inning and the local agency team is way behind. Actually it looks more like the first or second inning with the score tied. But no one questions that there is a tough game ahead and that weakness at the plate and errors in the field will win the game—for the other side.

It can hardly be said that the local agent has taken a real good turn at bat for a long time. One of the ways to get business is to ask for it. In fact, no one is going to get business unless he does. In the past, and very markedly when the local agent started in the business, this was one of his strengths, that he asked for business. He asked anyone who would listen. Being locally on the scene, growing rapidly closer to his prospects and clients, he would do this more intelligently and more intensively than anyone else. He could still do this, but does he?

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The successful specialty companies are the ones that are doing the most merchandising. The most frequently mentioned specialty writers in the automobile field are State Farm, Allstate, Farm Bureau and Farmers of Los Angeles. State Farm and Farm Bureau are multiple line companies. State Farm, for example, has life, fire and automobile insurance for its agents to sell. These agents are in most cases as "local" in their operations as are agents of agency companies. Many of them make a good thing of their representation of State Farm.

Allstate, however, has made the most spectacular showing because it has come up so rapidly and so far in such a short space of time. In addition, its merchandising methods and energies have had more impetus from fields where merchandising is an energetic art continuously practiced.

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Allstate's parent, Sears Roebuck & Co., used to be a mail order firm purely but today even the professional comedians have quit making jokes about the Sears Roebuck catalogue. It still sells by mail, but it has added to its merchandising methods with changing conditions. It has stores scattered across the country, and many of them are in the fine suburban population centers where people go by automobile to do their shopping.

Allstate has used departments in its stores for the sale of automobile insurance, and, latterly, for the sale of comprehensive personal liability and fire insurance. But it has not stopped there. It has built special insurance stores, handling nothing but insurance, in strategically located sites.

It has not stopped there, it has all along had its agents out soliciting door to door for automobile insurance—and now CPL and fire insurance on dwellings. The other day a visitor to one of Allstate's division offices noted on the manager's desk a number of 3x5 cards on which was typed several lines of information. He asked what the cards were, customers?

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"No, but many of them will be," the manager replied. The cards, and there were a great many of them, were the result of doorbell ringing by Allstate agents. The agent rings the doorbell, he tells the Allstate story, he gets the expiration date on the householder's automobile policy, the kind of car, the limits of insurance, and then asks for the opportunity to make a quotation 60 days before the renewal date.

How many customers result from calls where the Allstate agent is successful in making this sort of presentation?

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Approximately 40%.

This is the kind of thing that Allstate has been doing for a long time. They are merchandising. They are asking people for business. Of course, price is important. It always is on a quick sale. This is not meant to imply that Allstate is merchandising a cheap product or *a contra* that is inferior to that of other insurers.

The important thing is that they are doing the one thing that makes sales, asking people to buy. They are doing it as agreeably and as skillfully as possible, but they are doing it and they are doing it all the time and they are doing it with as many people as they can possibly reach.

It might be well for local agents to keep in mind that the agency system is not necessarily under attack when some of its merchandising methods come in for examination. After all, the system itself is not so much an abstract, theoretical grant of economic privilege as it is a large number of individual persons who operate it in a particular way to be of service to the individual citizens of a community. It is a way of doing business that has proved flexible and successful in the past and that has very great strength. It is true that the local agent has certain legal rights to business on his books and its future. But his real strength probably lies in the fact that he is a local business man, a continuing part of the community in which he lives, and is close to his customers so that he is continuously able to be of service and to be responsible to them.

It is interesting to note that the stock brokerage firms went along for many years handling their business in a traditional way, using customers men to develop business but in an arms length manner. Then came on the scene the mutual funds which hired salesmen to take their message to everyone who would listen and who could buy their product. The stock brokerage houses and the mutual funds are selling substantially the same thing. But today a tremendous amount of the stock brokerage business is in the hands of the mutual funds. At long last, the brokerage houses evolved a plan of selling stocks on installments and this program is now getting under way. Here is an example of the transfer of a vast amount of business from one outlet to another simply by the device of a new merchandising method.

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The agent has to meet the specialty company in the sales arena. This is the point at which, though not necessarily through any fault of his own, he has lost headway and the specialty company has made headway. If he doesn't sell, if he doesn't get his sales message to potential buyers of his product, what does it matter if he has the best product available, even if it were at the lowest price and handled with the greatest efficiency, which it admittedly isn't?

This problem of selling is one that the agent has to work out for himself, pretty much. Because of the peculiar nature of the local agency system, which is at once one of its greatest strengths and one of its most dangerous weaknesses, the local agent cannot look to his company for more than minor assistance when it comes to setting up, putting into effect and operating a sales program. In this respect the agent has to be a self-starter. In the case of the Allstate agent there is supervision, there is a track laid out to run on, there are various kinds of assistance, and above all there is always the one company to satisfy. This is the case with salesmen of most business firms.

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Unless the local agent today has in operation a sales plan designed to bring in new customers and strengthen old ones, he is not apt to stay up with the parade. Today it is the automobile business, but other lines already are coming under sales attack, and there is no reason to suppose that additional lines will not be added to the contest as time goes along.

The local agent has a proprietory interest, sustained by the courts, in his expirations, but he has no proprietory interest in his business so far as the customer is concerned. In that respect, his business is always subject to loss to competition which can do a better job of selling.

Sales Minded Insurer

The selling of automobile insurance imnplies that the local agent represents companies that are sales minded, expansion minded, that are growing at least at the same rate as the auto insurance business generally is growing. There are some companies that write automobile business today as an accommodation, to get or protect other lines. This is not much of an accommodation—at least to the agent, and probably not to insured. Such companies write auto business reluctantly. They do not like it. They don't feel comfortable with it.

It is a question whether such companies should be in the automobile business. Probably eventually some of them will be out of it. The agent who is interested in automobile business should not be tied up with this kind of company. Whether he has one, two or three insurers of this

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20 Leading Auto Insurers of 1953 Listed

1952 Rank	1953 Rank		1953 Earned Prems. $	1952 Earned Prems $	1951 Earned Prems. $
1.	1.	State Farm Mutual Auto	175,186,182	132,599,140	108,970,039
3.	2.	Allstate	131,794,816	89,231,956	67,568,495
2.	3.	General Exchange	117,074,727	98,012,577	94,472,445
4.	4.	Farm Bureau Mut. Auto, O.	101,140,861	77,179,420	60,987,793
5.	5.	Hartford Accident	83,009,750	73,749,247	63,945,087
8.	6.	Travelers Indemnity	82,779,874	67,854,007	56,559,502
7.	7.	Farmers Exchange, Cal.	82,202,122	71,203,466	58,661,596
6.	8.	U. S. F. & G.	82,172,095	72,034,804	44,665,834
10.	9.	Travelers	73,694,913	59,752,091	47,024,889
11.	10.	Liberty Mutual	66,724,374	54,758,708	45,333,926
9.	11.	Lumbermen's Mutual Cas.	66,487,498	63,201,367	56,331,684
12.	12.	Aetna Casualty	62,683,246	51,041,244	42,503,043
13.	13.	Fidelity & Casualty	58,511,622	46,068,413	35,663,996
14.	14.	Service Fire	42,239,168	40,437,373	38,947,954
15.	15.	Calvert Fire	39,982,716	37,239,393	33,630,389
16.	16.	Hartford Fire	35,933,907	33,819,333	30,032,417
19.	17.	General Accident	35,492,015	29,967,314	25,680,199
17.	18.	American Auto	34,931,699	30,509,154	29,665,656
18.	19.	Maryland Casualty	34,549,417	30,419,928	30,775,692
20.	20.	Ohio Casualty	33,994,053	28,106,163	23,261,375

The leading automobile writers in 1953 did a total business of $1,444,585,-053, roughly one-third of the total done by all companies writing auto insurance in the U.S. Last year, these same 20 companies had total premiums of $1,178,100,168, so that in 1953 the increase for this group was $262,484,885, or an average of $13 million per company. The average premiums of the first 20 companies is $72,024,000 as compared with $58,905,000 in 1952.

Although the companies in the table are the same, there have been two or three changes in position, with Allstate moving into second place on another sharp increase in premiums, Travelers Indemnity going ahead two spots and Travelers and Liberty Mutual each gaining a notch.

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Another item of note is the fact that there are now four companies writing more than $100 million in premiums. Last year there was only one—State Farm.

In 1952, there were sizable increases run up by 10 of the companies on the list of leaders, but during 1953 every company had a sizable increase, although the gains marked up by the companies doing the greatest amount of business is the most striking. State Farm is up $43 million, Allstate $42 million, General Exchange $19 million, Farm Bureau of Ohio $24 million, Travelers Indemnity $15 million, Travelers $14 million, Liberty Mutual $12 million, Aetna Casualty $11 million, and so on right down the list.

The 20 companies shown above have aggregate premiums exceeding by more than two times the total business of all stock fire companies; their business is more than all the mutuals combined, or all the reciprocals and Lloyds combined; it is nearly 75% of all business done by all stock full cover writers.

Several of the companies in the listing belong to groups, and if all companies in the groups were included in the totals, such as America Fore, Hartford, Allstate, General Exchange, Aetna Casualty, Service Fire, American Auto, Farmers Exchange, etc., the automobile business done by these organizations would represent by far the greatest percentage of the total for the country.

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variety makes no difference, he will never have capacity, he will always have trouble with automobile.

This standard is also a reasonable one for agencies. Some agents are not conditioned to handle automobile business and perhaps should get out of it. Unless the agent likes it, handles a volume of it, has companies that like it and handle a volume of it, then he should probably stop worrying about losing it. Eventually he will be pretty much out of it.

In this connection, specialty companies are sometimes said to be highly selective on underwriting. This could, perhaps, be overstated in view of the tremendous amount of automobile business that the specialty companies have put on the books in ten years. However, suppose they are selective, suppose they do cancel after an accident or two. Suppose they reject older drivers and hold down on those that are too young.

So do agency companies.

So do agents themselves.

Unquestionably agency companies take more risks that are poorer from an underwriting standpoint than specialty companies. They do this because agents give them these risks and often press them to do so. It is true also that someone has to take such risks, that if insurers voluntarily absorb only the good business, the assigned risk plans of the country eventually will bog down with too much business. Anyway, even today, many of the underwriting rejects find their way into these plans that the plans were never designed to write.

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If agents and agency companies are to make progress in the mounting competitive struggle, it is perhaps not pertinent for them to make too much of their contribution to society because they write risks specialty companies do not or will not. In the first place, they will get no credit for it, either in the way of profit or in acknowledgment from society, including insurance departments. It is a nebulous, almost valueless kind of virtue. They would be better advised to find out how to handle this kind of business in a way to make money with it, or, if they can't live with it, set up underwriting standards that will let in only the kind of business they can live with.

In both the best and the worst sense the local agency business is a partnership between local agents and agency companies. Each is dependent upon the other over and above the contractual relationship. The local agent is dependent upon the agency company for the writing and handling of business in a satisfactory way. The agency company, on the other hand, is also dependent upon the agent to get the business, to make the sale, and to keep the volume rolling in.

So far as can be determined, there is no disposition on the part of agency company executives to give any thought at all to doing business in any other way except from local agents. They have grown by way of the local agency system, they believe that the company and agent together can continue to meet the problems and difficulties that arise. However, it should be pointed out that the large insurers, if they were faced with seriously declining premium volume in the automobile or in any other line and were losing headway because of their use of the local agency system would not tolerate such a situation indefinitely. They would do something about it, they would have to do something about it. It is interesting to note in this connection that the large companies are set up in such a way that it would not be hard to go direct if they were forced to do so. To repeat, it is impossible to find even a trace of sentiment in favor of going direct. The agency insurers are quite firm in their belief in the agency system. They have a lot of agents, they have a lot of good agents who have proved themselves under all kinds of circumstances. At the same time, they have also established regional offices in key population centers across the country, offices that are well manned, that are in close reach of very large populations and very great aggregations of insurable property.

Other Trends, Factors

What about some of the other trends, factors and ideas that affect the automobile insurance business significantly?

The loss ratio is improving on BI and PDL, but the severity is growing worse, though not at the same rate as formerly. This rise in severity is probably the true long time trend. Frequency, however has improved fairly consistently for some months.

Insurers are, therefore, optimistic that 1954 will be a good year. Undoubtedly it will be, but insurers also are conservative in their optimism. The average paid claim cost of stock and mutual companies for the last quarter of 1953 was 160.6% of the 1947 base period, compared with 143.7% in the last quarter of 1952. For full years, comparable figures were 156.3 and 141.3. On property damage the figures were 150.5 in the 1953 last quarter and 140.7 for the similar period in 1952. For the full years, figures were 153 and 140.8. For New York state the average paid BI claim was $644 in 1951, $726 in 1952 and $836 in 1953. On PDL the figures were $87, $97 and $105.

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But the companies are getting more premium. The full effect of the rate increases are being felt. In Oklahoma and Illinois, where there hasn't been a rate increase in three years, the companies still are in the red. California, which was exceptionally good in 1953, has turned sour. New York City is not good though the market there is easier. And there are a few other areas where some adjustment upward may still take place. But over-all, the next move probably will be a sloping downward in rates, without much movement this year.

There continues to be a lot of talk about combining into one rating bureau the automobile division of National Bureau and National Automobile Underwriters Assn. This is inevitable. Many agree it should be done. But it is not apt to become a reality for three, more likely five years.

On this point it would be well for local agents, many of whom have asked for the merger, to recognize that such a combination will not save much money, and that it is likely to lead to a single auto insurance commission rate. Incidentally, this last would save a good deal of money, probably as much or more than the merger of the two rating bureaus. The merger should, however, reduce approximately from two to one the number of times the states are asked for approval of rate changes, in itself a blessing. It should lead to greater uniformity of proce-

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Stock Fire Insurers' Premiums Up Again, Pass $600 Million

Despite the fact that the number of companies writing physical damage coverages was decreased in 1953 by a net of 16, having the effect of taking away better than $17 million in total premiums, those companies still on the list had a better than $36 million increase on their own account.

The total earned premiums of stock fire companies in 1953 of $601,143,054 represents roughly a $50 million gain from the 1952 total before the switch in classifications is taken into account. The loss ratio improved about four points with losses incurred at $300,-735,654. There are now 200 stock fire companies whose automobile business is restricted to physical damage coverages. This is probably less than half the number in this grouping five years ago, but these insurers still account for something close to 15% of the total automobile premiums.

The 10 leaders in premiums for the physical damage classification in 1953 are realigned somewhat with the discontinuance of liability retentions by Hartford Fire. Closing in on the top 10 are Continental, Travelers Fire and Allstate Fire, whose premiums are all close to $14 million.

TEN LEADERS IN STOCK FIRE FIELD

		1953 Earned Prems. $	1952 Earned Prems. $	% of Incr.	1951 Earned Prems. $	1950 Earned Prems. $	1949 Written Prems. $
1.	General Exchange	117,074,727	98,012,557	19.4	94,472,445	80,528,254	79,005,737
2.	Service Fire	42,239,168	40,437,373	4.5	38,947,954	34,354,297	38,513,714
3.	Calvert Fire	39,982,716	37,239,393	7.4	33,630,389	28,979,571	32,959,429
4.	Hartford Fire	35,933,907	33,819,333	6.2	30,032,417	27,607,154	28,031,262
5.	Motors	28,225,651	25,534,965	10.5	29,510,930	25,933,246	25,578,462
6.	Automobile	23,755,244	21,629,670	8.5	19,607,538	18,255,110	18,309,662
7.	Service Casualty	21,553,049	23,995,346	—10.2	20,483,047	17,720,651	20,171,354
8.	Emmco	20,644,703	19,566,218	5.5	16,151,007	13,849,900	13,722,234
9.	Home	20,297,818	21,441,119	—5.1	21,471,937	18,479,342	18,425,734
10.	Resolute	17,051,785	16,491,186	3.4	14,651,602	13,547,439	12,864,964

General Exchange for the eighth successive year is the top physical damage company, increasing its premiums nearly 20% to a total of $117,074,727. This is the first time General Exchange has had its earned premiums in excess of $100 million, and it crashed that mark in strong fashion. The affiliated Motors Ins. Corp. with a 10.5% increase in premiums is in fifth place at $28,225,651, and this group now accounts for $145 million in automobile business.

Service Fire, which like General Exchange and Motors, is a finance insurer, is still the No. 2 company, with $42.2 million in premiums. Its running mate, Service Casualty, reduced its writings 10.2%, so that the $64 million these two companies account for is very close to the same total as in 1952.

In third place is Calvert Fire, another finance writer, with $39,982,716, a 7.4% gain.

Hartford Fire, which last year was the eighth ranking company in the full coverage table, takes over fourth spot among physical damage writers with premiums of $35,933,907, a 6.2% gain.

Automobile of Hartford traded places with Service Casualty to take sixth place behind Motors. Automobile had a gain of better than $2 million.

Emmco and Home also traded their positions, Emmco gaining 5.5% while Home reduced its writings 5.1%. Emmco, another finance insurer, has $20,-644,703 in 1953 earned premiums as compared with Home's $20,297,818.

The 10th company is Resolute, which had a nice gain in premium, going from $16.4 million to $17 million.

The ten companies making up the leaders table did a combined business of $366,758,858, or more than 46% of the total done by the entire 200 companies. Finance writers dominate both numerically, having seven representatives in the first 10, and in premium, writing about four times as much as the regular fire insurance companies.

Automobile Experience in 1953 of STOCK FIRE Companies Given

	1953 Earned Prems. $	1953 Incurred Losses $	1953 Loss Ratio %	1953 Incr. or Dec. in Prems. $	1952 Earned Prems. $	1952 Incurred Losses $	1952 Loss Ratio %	1952 Incr. or Dec. in Prems. $
Agricultural	2,987,036	1,603,568	53.7	489,865	2,497,171	1,183,646	46.5	557,620
Albany	275,629	137,299	49.8	8,736	266,893	128,304	....	27,401
Allied, Utica	277,536	118,312	42.6	—11,115	288,651	142,900	59.5	22,970
Allstate Fire	12,336,326	4,681,191	38.0	1,173,855	11,162,471	4,690,323	42.1	2,452,204
Alpina, Switz.	19,994	8,220	41.3	3,032	16,962	7,817	46.3	8,296
Am. Av. & Gen.	3,521,966	1,539,452	43.5	—209,049	3,731,015	1,903,936	50.8	—144,136
Am. Auto Fire	13,688,912	4,927,739	36.2	556,387	13,132,525	4,999,131	38.0	—877,917
Am. Bankers, Fla.	3,786,016	1,866,542	49.2	363,387	3,422,629	1,626,036	47.4	718,001
Am. Eagle	1,939,030	709,426	36.8	59,779	1,879,251	1,060,476	55.2	—54,393
Am. Equit.	1,455,674	696,404	48.0	38,651	1,423,023	742,503	52.2	65,511
Amer. Liberty	480,672	240,043	50.0	....	....	....	....	....
Am. Mot. Fire	341,829	100,296	29.4	—1,033	340,796	139,320	41.0	—32,894
Amer. Reserve, N. Y.	311,222	173,149	55.6	—49,534	360,756	123,376	35.2	102,426
Am. Sec., Ga.	6,076,249	3,094,461	50.9	911,413	5,164,836	2,884,906	55.2	1,196,976
Am. Southern*	140,202	91,674	65.4	—154,096	294,298	301,812	10.5	15,688
Amer. Union.	769,320	395,881	51.4	141,050	628,270	342,089	54.8	53,743
Andrew Jackson	114,152	53,992	47.2	35,246	78,906	55,799	70.6	49,241
Atlas	1,102,515	549,202	49.8	38,095	1,064,420	511,037	48.1	544,722
Automobile	23,755,244	9,202,461	38.8	2,125,574	21,629,670	8,570,334	39.7	2,022,132
Balboa	1,718,513	753,779	44.0	207,323	1,511,190	955,892	63.0	688,208
Bank. & Ship.	3,403,529	1,700,544	50.0	328,230	3,075,299	1,557,754	49.3	97,917
Bankers F. & M.	969,194	616,363	63.6	—16,254	985,448	555,633	56.5	183,939
Bitum. F. & M.	....	....	....	....	....	75	....	....
Buck. Union Fire	728,521	345,471	47.4	92,023	636,498	321,092	50.8	149,462
Buffalo	68,784	30,360	44.1	6,514	62,270	24,421	39.2	—10,251
Caled.-Amer.	117,999	52,675	45.0	—176	118,175	55,997	50.0	18,563
Caledonian	471,996	210,701	44.5	—708	472,704	222,611	46.9	—25,359
Cal.-Union	159,405	85,559	53.4	—237,979	397,384	257,532	64.8	160,519
Calvert Fire	39,982,716	24,141,278	60.4	2,743,323	37,239,393	25,892,259	75.2	3,609,004
Canadian Fire	470,557	206,307	43.8	—29,524	500,081	302,590	61.1	147,178
Car. Natl.	85,202	40,902	48.0	19,954	65,248	26,516	40.6	23,651
Cavalier	165,637	114,617	69.0	160,885	4,752	4,147	85.4	3,429
Cent. Trust, China	193,062	171,897	88.5	—56,326	249,388	132,794	53.0	136,125
Century	488,037	198,268	40.6	15,811	472,226	234,172	49.5	16,691
Cherokee	1,837,726	1,000,574	54.6	549,131	1,288,595	790,777	61.5	365,715
Chr. Gen., N. Y.	131,208	49,794	38.0	79,591	51,617	26,253	50.7	8,138
Cincinnati	30,153	11,459	38.0	13,308	16,845	9,777	58.0	12,535
Citz. Home, S. C.	141,813	90,595	64.2	43,369	98,444	67,949	69.0	41,052
Colonial, Pa.	8,734	6,744	77.2	—39,296	48,030	19,399	40.1	—8,244
Colonial Sur.	264,411	171,168	64.8	91,248	173,163	120,752	69.3	55,730
Columbia, N. Y.	267,894	98,751	37.0	—75,273	343,167	132,799	38.5	86,853
Comml. Std. F&M	4,333	4,999	11.5	—7,748	12,081	—430	35.9	—17,852
Comm'l, Texas	2,516,958	1,178,636	46.6	246,635	2,270,323	1,395,433	61.0	302,093
Commonwealth	817,593	376,112	46.0	112,812	704,781	353,113	49.8	60,438
Constitution	2,303	1,416	61.3	2,303	....	....	....	—1,892
Continental	14,451,098	6,181,899	42.9	578,040	13,873,058	6,930,450	50.5	—997,185
Copenhagen Rein.	156,461	97,913	62.7	—167,127	323,588	177,886	54.5	272,837
Dependable, Fla.	436,374	216,645	49.5	—129,655	566,029	334,939	59.0	172,510
Eagle, N. J.	142,584	85,805	60.5	—6,827	149,411	107,456	72.0	31,745
Eastern, D. C.	709,577	307,012	43.3	105,317	604,260	273,097	45.2	51,289
Emmco	20,644,703	11,392,771	54.8	1,078,485	19,566,218	12,729,662	65.0	3,415,211
Empire State	746,759	400,892	53.6	122,466	624,293	295,911	47.5	139,405
Empl. Ind., Tex.	....	....	....	....	34	—117	35.4	-665
Eureka-Sec.	1,281,762	588,096	45.9	160,710	1,121,052	522,635	45.2	131,498
Excelsior	396,355	180,501	45.5	94,084	302,271	149,586	49.0	14,685
Fidelity-Phenix	12,384,275	5,395,804	43.8	48,922	12,335,353	5,880,189	48.0	—1,766,893
Fire & Cas., Ct.	1,365,421	805,074	59.2	591,177	774,244	479,305	62.0	69,611
Firemen's, D. C.	18,932	13,063	68.8	5,015	13,917	4,481	32.2	1,934
First Natl.	501,570	243,799	48.5	290,897	210,673	103,066	49.0	121,953
French Union	30,331	11,408	37.2	—3,563	33,894	15,621	46.1	2,191
Frontier, Colo.	758,952	457,736	60.3	74,587	684,365	473,715	69.2	26,470
General Exch.	117,074,727	63,197,534	53.9	19,062,170	98,012,557	54,624,700	55.3	3,540,112
General, Wash.	12,424,447	4,574,218	36.8	1,165,273	11,259,174	4,739,966	42.5	1,363,881
Globe & Rep.	545,878	261,152	47.9	12,245	533,633	278,438	52.1	24,567
Grt. Eastern	422,251	243,141	57.6	72,064	350,187	216,117	61.5	96,435
Halifax Fire	26,111	12,837	49.0	13,274	12,837	3,924	39.2	—33,577
Hartford Fire	35,933,907	16,025,605	44.6	2,114,574	33,819,333	16,208,403	47.9	3,786,916
Home	20,297,818	9,330,649	46.1	—1,143,301	21,441,119	11,004,278	51.4	30,818
Homeland	408,796	188,057	46.1	220,739	352,390	176,556	50.0	30,219
Hudson	51,649	25,039	48.4	—29,906	81,555	34,407	42.1	30,298
Illinois Fire	82,079	43,403	52.9	14,477	67,602	28,993	42.5	13,199
Imperial, D. C.	568,548	264,892	46.5	66,730	501,818	237,847	47.3	—67,871
Ins. Co. St. Louis	380,616	214,954	56.3	202,447	178,169	108,354	60.8	29,791
International, N. Y.	63,932	40,876	64.0	318	63,614	24,646	38.8	904
Int.-Ocean Re.	117,768	216,494	18.5	17,080	100,688	—26,009	25.2	2,395
Interstate	3,224,582	1,617,752	50.0	—167,913	3,392,495	1,789,364	52.5	—73,922
Jersey	2,174,477	1,086,458	49.8	209,703	1,964,774	995,502	31.9	62,558
Lafayette	71,706	36,408	50.7	13,919	57,787	28,598	47.6	3,704
La Paternelle	8,520	3,399	39.8	—1,303	9,823	3,726	30.0	—213
Law Un. & Rock	216,643	85,411	39.5	—8,852	225,495	93,931	41.6	683
Lion Fire	1,084	913	84.5	—1,696	2,780	885	31.9	355
Louis. F. & M.	855,169	529,917	50.9	421,621	433,548	218,509	50.3	—170,451
London	781,368	398,461	50.7	89,620	691,748	322,258	46.8	17,592
Lond. & Lanc.	1,028,745	405,714	39.7	—46,155	1,074,900	448,805	26.3	7,092
Lond. & Scot.	107,053	55,092	51.4	13,214	93,839	45,510	50.5	5,564
Loyal Auto, Cal.	174,221	78,295	45.4	54,403	119,818	61,271	51.4	29,917
Manhattan	334,872	170,769	20.4	38,409	296,463	138,111	46.6	7,540
Marathon	1,608,614	755,285	47.2	—1,493,558	3,102,172	2,094,037	67.4	483,576
Maritime	29,984	12,285	40.9	2,528	27,456	11,772	42.7	8,275
Mayflower, O.	1,356,624	773,050	57.2	—202,128	1,558,752	921,216	59.5	—120,271
Mercantile	817,593	376,112	46.0	112,812	704,781	353,113	49.5	60,438
Merch. & Mfs.	363,919	174,102	48.0	8,164	355,755	185,625	52.0	16,377
Merch., Colo.	257,534	124,373	48.3	—44,032	301,566	181,509	60.0	7,892
Merch., N. Y.	1,859,809	708,449	19.8	135,792	1,724,017	718,499	41.7	80,361
Mercury	3,584,669	1,473,900	41.1	—52,934	3,637,603	1,912,737	52.3	61,614
Merrimac, Ala.	171,030	95,912	56.0	22,674	148,356	87,206	59.0	52,915
Metrop. Fire	33,071	12,624	38.2	—15,205	48,276	6,975	14.4	—35,469
Midwest. F. & M.	380,616	198,891	52.1	72,023	308,593	212,631	68.8	3,978
Millers Natl.	234,036	123,531	52.5	41,249	192,787	82,520	44.0	10,261
Monarch	397,330	182,478	45.8	50,317	347,013	162,214	21.4	40,247
Motors	28,225,651	14,134,250	50.0	2,690,686	25,534,965	13,019,023	48.0	—3,975,965
Mt. Beacon	865,051	445,708	51.5	—78,200	943,251	559,479	59.0	—53,365
Nat. Am., Neb.	58,182	46,374	79.6	792	57,390	15,706	27.5	—9,440
Nat. Grange	629,438	183,173	29.1	33,731	595,707	161,469	27.0	141,896
National Re.	254,445	123,893	48.5	23,527	230,918	154,843	67.0	125,485
Nat. Sur. Mar.	2,919,241	1,221,903	42.0	74,989	2,844,252	1,567,332	54.0	597,419
Netherlands	196,665	87,792	44.7	—295	196,960	92,869	47.5	—2,265
N. Y. Fire	667,184	319,184	47.7	14,965	652,219	340,314	55.2	30,027
New York Unds.	843,847	417,316	49.6	101,287	742,560	354,426	47.7	21,590
Niagara	3,525,086	1,504,862	42.6	37,829	3,487,259	1,900,409	54.9	—166,448
North British	1,635,185	752,224	50.7	225,622	1,409,563	706,228	52.0	120,877
Northland, Minn.	2,425,133	1,419,889	58.2	733,673	1,691,460	1,065,929	62.7	598,842
North Star	880,146	424,465	48.2	148,306	731,840	244,213	33.2	—43,550
N. W. F. & M.	463,066	206,515	44.6	24,602	438,464	211,083	47.1	53,777
N. W. Nat'l.	3,099,114	1,393,173	44.9	610,762	2,488,352	993,462	40.0	422,198
Ohio Farmers	5,216,792	2,115,491	40.4	889,616	4,327,176	1,917,548	44.2	745,498
Ohio Ins.	2,410,470	1,155,955	47.7	538,810	1,871,660	810,195	43.2	235,351
Old Dominion	31,489	13,059	41.4	—16,789	48,270	30,590	63.3	—24,140
Orient	649,791	256,238	39.4	—26,734	676,525	284,796	42.6	2,168
Pacific Coast	122,009	49,567	40.6	3,953	118,056	58,542	49.5	—4,172
Pacific, N. Y.	3,876,241	1,936,601	49.8	373,817	3,502,424	1,774,286	50.5	—511,517
Pacific Nat'l.	2,199,674	1,098,417	49.7	46,180	2,153,494	1,038,972	48.0	161,313
Paramount	165,763	105,102	63.7	32,054	133,709	69,747	52.5	—15,449
Patriotic	408,372	177,881	43.4	—138,534	269,838	148,204	55.0	—8,129
Pearl	1,509,853	693,416	46.2	191,203	1,318,650	616,415	47.0	152,939
Pa. Fire	1,771,451	814,548	46.0	244,425	1,527,026	765,053	50.5	130,950
Pa. Mfrs. Assn.	379,341	99,014	26.1	9,262	370,079	96,220	26.0	37
Phoenix, Eng.	327,494	120,653	36.7	—93,163	420,657	162,760	39.0	—275,053
Planet	749,708	319,093	42.6	—61,929	811,637	368,164	45.7	77,558
Preferred Fire	532,678	201,978	37.8	29,610	503,068	201,548	39.1	—7,035
Premier	10,479,248	6,510,145	62.6	970,415	9,508,833	7,094,292	74.5	319,807
Progressive, Ga.	291,704	141,199	48.2	11,573	280,131	144,767	51.5	—122,193
Prudent, N. Y.	296,647	125,199	42.2	—111,127	407,774	172,042	42.5	151,486
Quaker City	567,876	262,660	46.2	86,820	481,056	224,206	46.5	52,860
Queen City	773,874	321,361	41.6	—26,597	800,471	336,420	42.0	3,395
Reliance Marine	29,982	12,264	40.7	2,271	27,711	11,743	43.5	4,689
Republic, Tex.	....	....	....	—120	120	323	269.0	....
Resolute	17,051,785	9,375,355	55.2	550,599	16,491,186	9,919,507	60.5	1,839,584
Rocky Mtn.	63,294	17,686	27.9	—89,630	152,924	79,527	52.3	—129,107
St. Louis F. & M.	761,231	400,158	52.5	—40,530	801,761	486,183	60.6	134,060
St. Paul F. & M.	6,211,634	4,935,850	79.4	—4,964,101	11,175,735	5,087,467	43.5	614,703
Safeguard	270,732	106,760	39.3	—11,140	281,872	118,917	41.9	—146
San Jacinto	9,174	6,128	66.7	1,877	7,299	—353	48.4	1,171
Scot. Union	1,428,738	735,207	51.7	261,951	1,166,787	635,310	54.8	1,510

(CONTINUED ON PAGE 50)

Stock Full Cover Companies Pass $2 Billion Mark in Premiums

Stock companies writing full coverage automobile insurance rocketed ahead in premium volume in 1953, passing the $2 billion mark in total writings on an increase of very nearly $300 million. There are now more than 350 stock companies writing full coverage automobile, and they account for 53.6% of the total automobile business in the United States.

Losses for the stock full cover insurers increased $57 million, and the earned-incurred ratio is now at 50.4%, an improvement of 4 points as compared with 1952.

Automobile BI coverage written by stock companies in 1953 passed the $1 billion mark for the first time, amounting to $1,007,520,036. PDL premiums were $520 million and the physical damage was $572 million.

The first 10 companies in the full cover table wrote $679,619,447, or 32.3% of the total for all companies in this list. Every company in the top 10 had an increase of more than 10% in premiums with Allstate's gain of $42 million topping the list as the company becomes the second largest automobile writer in the country. The only new member of the top 10 is General Accident, which took over the No. 8 position vacated by Hartford Fire, as that company discontinued retention of automobile liability business.

TEN LEADERS IN STOCK FULL COVER FIELD

		1953 Earned Prems. $	1952 Earned Prems. $	% of Incr.	1951 Earned Prems. $	1950 Earned Prems. $	1949 Written Prems. $
1.	Allstate	131,794,816	89,231,956	47.6	67,568,495	49,641,875	40,904,962
2.	Hartford Accident	83,009,750	73,749,247	12.5	63,945,087	56,098,865	53,922,768
3.	Travelers Indem.	82,779,874	67,854,007	22.0	56,559,502	50,124,914	47,659,401
4.	U.S.F. & G.	82,172,095	72,034,804	14.0	44,665,834	41,920,086	41,091,665
5.	Travelers	73,694,913	59,752,091	23.2	47,024,889	41,615,078	39,197,409
6.	Aetna Casualty	62,683,246	51,041,244	22.8	42,503,043	39,989,474	37,935,708
7.	Fidelity & Casualty	58,511,622	46,068,413	26.9	35,663,996	32,459,700	32,384,579
8.	General Accident	35,492,015	29,967,314	18.5	25,680,199	23,138,226	25,885,427
9.	American Auto	34,931,699	30,509,154	14.5	29,665,656	27,028,323	25,335,329
10.	Maryland Cas.	34,549,417	30,419,928	13.6	30,775,692	25,919,029	24,070,230

Allstate moved into top position among the stock companies in 1951 supplanting Hartford Accident. Its margin that year was a little less than $4 million, but in 1953 it wrote $48 million more than Hartford Accident. Its premium increase of $42 million in 1953 was more than the company had in the way of written premiums in 1949 when they were $41 million, and 10 years ago, in 1943, Allstate wrote only $5,213,340.

Hartford Accident at $83 million had a gain in premiums of 12.5% to maintain its position, although Travelers Indemnity increased its writings 22% and is close behind with $82,779,874.

The combined totals of the Travelers group—Travelers Indemnity, Travelers, and Travelers Fire are $169 million, but this is not enough to equal the State Farm total of $175 million. Travelers Indemnity passed U.S.F. & G. in the standings, although U.S.F. & G. increased its writings more than $10 million to pass the $82 million mark.

Aetna Casualty remains in sixth place with $62 million, an increase of 22.8%, and then comes Fidelity & Casualty of the America Fore group with $58 million, up 26.9%.

General Accident, which was the 11th company in the standings in 1952, now is eighth, on the basis of an 18.5% gain which notched its premiums to $35,492,000. American Auto and Maryland Casualty are 9th and 10th, the positions they had last year. Both companies increased their pace substantially. In 1952, America Auto increased its writings only 2.8% and Maryland Casualty decreased 2.5%. Last year, American Auto was up more than $4 million, as was Maryland Casualty.

Experience of STOCK FULL COVER Companies on 1953 Automobile Writings

	1953 Total Earned Prems. $	1953 Total Incurred Losses $	1953 Total Loss Ratio %	1953 Total Inc. or Dec. in Prems. $	1953 Liability Earned Prems. $	1953 Liability Incurred Losses $	1953 Property Damage Earned Prems. $	1953 Property Damage Incurred Losses $	1953 Phys. Damage Earned Prems. $	1953 Phys. Damage Incurred Losses $	1952 Total Earned Prems. $	1952 Total Incurred Losses $	1952 Total Loss Ratio %	1952 Total Inc. or Dec. in Prems. $	1951 Total Earned Prems. $	1951 Total Incurred Losses $	1951 Total Loss Ratio %
Accident & Cas.	3,379,875	1,601,406	47.5	30,416	1,593,576	809,152	941,021	437,482	845,279	354,772	3,349,459	1,820,109	54.5	241,205	3,108,254	1,926,428	61.9
Aetna Cas.	62,683,246	31,353,858	50.0	11,642,002	41,615,528	21,982,528	21,067,718	9,371,330	......	......	51,041,244	26,343,451	52.0	8,538,201	42,503,043	22,779,846	53.5
Aetna Fire	18,819,122	10,177,232	53.7	—133,711	7,121,778	4,573,052	3,434,676	1,653,832	8,262,668	3,950,348	18,942,833	10,278,283	54.0	11,668,593	7,274,240	3,453,344	47.3
All-Amer., D. C.	200,218	97,638	48.7	39,248	53,758	40,447	28,582	8,852	117,878	48,339	170,970	64,127	37.7	40,058	130,912	65,342	49.8
Alliance, Eng.	1,220,840	603,033	49.4	207,626	332,052	179,656	148,066	70,389	740,722	352,988	1,013,214	517,217	51.1	119,903	893,311	467,087	52.2
Allstate	131,794,816	66,723,870	50.6	42,562,860	69,272,427	36,750,941	32,093,599	16,867,759	30,428,790	13,105,170	89,231,956	41,596,864	46.5	21,663,461	67,568,495	36,815,958	54.4
Amer. Alliance	2,329,002	1,116,320	47.9	607,221	471,685	260,899	239,829	135,957	1,617,488	719,464	1,721,781	883,185	51.3	276,943	1,444,838	714,270	49.4
Am. & For.	2,954,884	1,485,042	50.3	737,397	1,195,161	665,676	590,893	297,188	1,168,830	522,178	2,217,487	1,275,520	57.5	724,300	1,493,187	804,337	53.8
Amer. Auto	34,931,699	14,764,831	42.3	4,422,545	21,624,730	9,072,303	11,991,619	5,198,103	1,315,350	494,425	30,509,154	15,579,695	50.8	843,498	29,665,656	16,202,964	54.6
Amer. Cas.	10,560,822	5,296,911	50.1	397,713	6,639,901	3,233,679	3,920,921	2,064,619	......	—1,387	10,163,109	5,612,784	55.5	858,682	9,304,427	5,311,904	57.1
American Central	1,049,821	455,479	43.5	101,413	......	......	9,560	5,458	1,040,261	450,021	948,408	424,425	44.9	87,458	860,950	398,700	46.3
Amer. Employers	11,092,467	5,366,907	48.4	1,393,730	6,428,480	3,356,494	3,563,207	1,548,546	1,100,780	461,412	9,698,737	5,200,271	53.7	1,088,642	8,610,095	5,427,112	63.1
Am. Fid. & Cas.	20,851,949	11,757,534	56.4	1,480,442	14,366,513	7,649,277	6,309,172	3,963,602	176,264	144,655	19,371,507	11,686,062	59.0	3,896,584	15,474,923	10,464,152	67.6
Am. Fidelity Fire	4,663,858	2,662,183	57.0	594,957	1,247,334	664,995	520,174	310,994	2,896,350	1,686,194	4,068,901	2,779,979	68.0	276,528	3,792,373	2,579,530	68.0
Am. Fidelity, Vt.	2,046,688	1,050,372	50.5	298,311	1,333,429	687,794	699,504	360,210	13,755	2,368	1,748,377	1,035,132	68.9	200,689	1,547,688	993,815	64.3
Amer. F. & C., Fla.	2,054,535	989,967	48.1	356,991	469,564	313,439	740,807	386,766	844,164	289,762	1,697,544	855,750	50.5	396,756	1,300,788	635,593	48.8
Am. Gen. Minn.	274,881	99,750	36.4	253,710	47,020	8,617	26,275	10,182	201,586	80,951	21,171	8,364	39.8	21,171	......	......	......
Am. Gen., Tex.	4,152,341	2,013,387	48.3	417,813	1,598,950	926,731	811,649	448,662	1,741,742	637,994	3,734,528	1,994,295	53.4	921,141	2,813,387	1,444,804	51.5
Am. Guar. & Liab.	5,703,577	3,167,252	55.6	—1,529,507	2,120,977	1,748,561	1,052,554	595,847	2,530,046	822,844	7,233,084	4,622,320	65.3	3,645,887	3,587,197	2,225,248	62.0
Amer. Home	618,274	309,610	50.0	48,389	26,750	11,012	7,904	9,057	583,620	289,541	569,885	303,626	53.2	238,382	331,503	157,022	47.5
Am. Indem., Tex.	4,164,766	2,058,902	49.2	695,943	1,709,738	966,666	1,069,196	535,792	1,385,832	556,444	3,468,823	1,898,412	18.3	683,144	2,785,679	1,366,068	49.0
Am., N. J.	22,039,922	10,956,734	49.5	756,013	7,012,527	3,735,013	2,749,809	1,871,259	11,277,586	5,350,462	21,283,909	12,375,182	58.2	10,008,981	11,274,928	6,343,871	56.2
Am. Mercury, D. C.	......	......	......	—2,113	......	......	......	......	......	......	2,113	1,923	91.0	—6,484	8,597	10,755	125.0
Amer. Motorists	16,721,134	7,297,449	43.6	985,214	9,440,089	4,618,553	4,438,438	1,714,049	2,842,607	964,847	15,735,820	7,986,656	50.7	1,975,366	13,760,554	7,471,786	54.2
Amer. Natl.	776,334	372,457	48.0	345,890	157,228	87,017	79,943	45,286	539,163	240,154	430,444	220,579	51.1	69,235	361,209	178,792	49.5
Amer. States	13,207,472	6,071,634	46.0	163,427	4,632,006	2,180,793	3,782,444	1,902,794	4,793,022	1,988,047	13,044,045	5,778,511	44.4	1,789,015	11,255,030	5,003,089	44.4
Amer. Policyholders	1,759,399	788,398	45.0	164,855	684,397	382,712	428,450	146,930	646,552	258,756	1,594,544	861,703	54.3	209,247	1,385,297	699,954	50.5
Amer. Surety	18,444,048	9,023,638	49.5	—1,570,931	9,472,604	5,125,879	4,957,362	2,342,403	4,014,082	1,555,356	20,014,979	11,966,959	59.5	3,948,988	16,065,991	10,289,662	64.1
Am. Title	361,179	188,340	52.1	—159,973	108,255	64,447	71,661	44,886	181,263	79,007	521,152	316,518	60.5	......	......	......	......
Am. Univ., R. I.	1,164,429	604,332	51.8	186,124	231,971	145,541	81,364	42,151	851,094	416,640	978,305	537,696	55.0	112,744	865,561	514,018	59.4
Anchor Cas.	5,696,830	2,537,551	44.5	200,683	2,752,547	1,319,069	1,497,269	661,602	1,477,014	556,880	5,496,147	2,914,773	53.0	365,866	5,130,281	2,382,957	46.4
Arex Indem.	125,057	61,328	49.0	—171,976	66,374	37,304	34,824	17,119	23,859	6,905	307,003	188,219	61.2	1,557	305,446	213,725	70.0
Assoc. Indem.	329,311	138,585	42.0	9,729	210,305	113,770	97,752	22,389	21,254	2,426	319,582	920,000	28.5	—74,133	393,715	168,968	42.9
Assurance, N. Y.	1,269,214	631,907	49.9	229,545	2,460	2,080	1,672	4,482	1,265,082	625,345	1,039,669	578,206	56.0	12,854	1,026,815	634,582	61.8
Atlantic, Tex.	1,017,404	478,385	47.0	276,569	433,177	188,695	286,121	148,701	298,106	140,989	740,835	346,924	46.7	291,858	448,977	243,967	54.2
Atlantic Cas.	4,528,212	2,055,413	45.3	359,569	1,961,698	903,500	1,092,424	557,863	1,474,090	594,050	4,168,643	1,930,832	46.3	675,368	3,493,275	1,639,796	46.8
Audubon, La.	1,407,654	949,027	67.4	161,709	160,690	63,508	79,170	26,007	1,167,794	859,512	1,245,945	938,279	75.5	224,694	1,021,251	749,183	73.4
Auto Club, Ohio	503,966	220,317	43.8	144,014	132,845	60,742	127,868	69,311	243,253	90,264	359,952	150,575	41.7	50,889	309,063	183,145	59.2
Bankers Ind.	......	......	......	—84,577	......	......	......	......	......	......	84,577	—31,765	......	—6,799,611	6,884,188	4,363,596	63.3
Bankers, Ark.	107,669	59,108	55.2	4,386	7,264	2,624	4,528	651	95,877	55,833	103,283	62,075	60.2	79,977	23,306	5,691	24.4
Benef. F. & C., Cal.	—1,591	27,436	......	—86,641	—35	21,770	—15	6,227	—1,356	—567	85,050	—2,582	......	—274,188	359,238	279,352	77.7
Birmingham, Ala.	268,950	113,169	42.2	—18,789	1,144	60	597	156	267,209	112,953	287,739	136,345	47.4	1,510	286,229	151,073	52.7
Bir'gham, Pa.	706,114	537,465	76.1	168,649	155,697	79,491	90,569	54,801	459,848	229,980	537,465	280,129	52.0	205,459	332,006	187,044	56.3
Bituminous Cas.	3,751,277	1,821,668	48.6	870,697	1,780,235	972,837	1,059,294	508,300	911,748	340,531	2,880,580	1,329,941	47.1	156,228	2,724,352	1,133,336	41.6
Blue Ridge, N. C.	1,535,573	857,947	56.7	285,516	237,214	163,524	153,779	93,801	1,144,580	600,622	1,250,057	668,180	53.5	68,221	1,181,836	632,541	53.6
Boston	8,167,895	4,246,548	51.9	2,056,978	1,910,755	1,055,613	1,053,608	560,505	5,203,532	2,630,430	6,110,917	3,451,095	56.6	2,314,141	3,796,876	2,220,730	58.5
Brit. Am.	219,208	99,914	45.6	52,124	27,859	15,001	14,025	8,727	177,324	76,186	167,084	80,508	48.2	9,538	158,546	73,575	46.3
Brit. & For.	1,739,660	882,475	50.8	509,007	746,976	416,898	369,308	185,943	623,376	279,634	1,230,653	715,080	58.0	472,446	758,207	417,897	55.0
British Gen.	153,660	66,672	43.4	14,842	......	......	1,399	796	152,261	65,876	138,818	62,122	45.0	12,800	126,018	58,360	46.2
Buckeye Un. Cas.	12,819,912	6,499,066	52.2	2,513,722	4,137,016	2,325,131	3,643,551	2,115,269	5,039,345	2,058,666	10,306,190	4,980,385	48.4	1,285,218	9,020,972	4,373,635	48.5
Cal. Compensation	2,561,227	1,090,781	42.6	770,205	1,056,256	480,891	556,745	249,514	948,226	360,376	1,791,022	957,379	53.5	420,100	1,370,922	701,853	51.2
Cal. Farm	3,452,401	1,931,424	45.9	654,252	1,113,127	861,735	756,896	366,004	1,582,378	703,685	2,798,149	1,678,442	60.2	720,652	2,077,497	1,096,768	52.8
California	640,115	277,718	43.2	61,837	......	......	5,829	3,328	634,286	274,390	578,278	258,791	45.5	53,327	524,951	243,101	47.4
Camden Fire	2,460,651	1,250,558	50.8	336,547	23,714	15,007	7,650	5,022	2,429,287	1,230,529	2,124,104	982,237	46.2	—12,756	2,136,860	1,009,775	47.2
Canadian Indem.	737,452	319,168	43.3	31,460	473,016	204,375	264,436	114,793	......	......	705,992	464,460	65.7	224,147	481,845	256,612	53.3
Canal, S. C.	1,091,495	600,459	54.9	101,743	607,529	357,850	385,835	179,639	98,131	62,970	989,752	601,459	61.0	274,187	765,565	407,269	53.2
Capitol Indem., Ind.	1,378,870	680,137	49.4	113,530	375,684	210,685	372,815	189,328	630,371	280,124	1,265,340	707,348	56.0	153,324	1,112,016	590,725	53.0
Carolina Casualty	2,854,345	1,670,176	58.5	1,097,300	1,761,439	1,033,493	955,906	561,820	137,000	74,863	1,757,045	1,062,832	60.6	364,353	1,392,692	797,179	57.2
Car & General	2,738,065	1,664,810	60.9	—45,379	1,799,805	1,172,516	934,286	490,114	3,974	2,169	2,783,444	1,601,635	57.5	359,732	2,423,712	1,302,917	53.7
Cas. Und., Minn.	1,246,145	597,682	48.0	234,928	565,702	318,476	307,940	131,119	372,503	148,087	1,011,217	488,157	44.4	7,282	1,003,935	549,740	54.7
Centennial Cas.	188,894	73,717	39.0	91,753	29,266	3,328	30,610	13,330	129,018	57,059	97,141	49,324	50.2	54,650	42,491	11,047	25.9
Centennial	174,443	128,315	73.6	37,328	96,763	84,398	35,609	25,187	42,071	18,730	137,115	84,959	61.8	59,981	77,134	52,038	67.5
Central Natl.	10,558,446	5,333,937	50.5	249,733	399,589	238,477	286,489	91,031	9,872,368	5,004,429	10,308,713	6,072,841	58.8	2,358,151	7,950,562	4,937,730	62.0
Cent. Stand., S. D.*	737,906	353,531	47.9	349,373	290,153	146,454	220,960	100,938	226,793	106,139	388,533	206,759	53.0	—519	389,052	186,956	48.0
Central Surety, Mo.	6,126,150	2,930,792	47.9	—113,124	1,022,421	306,564	3,025,904	1,558,348	1,642,487	816,630	6,239,274	3,184,233	51.0	273,100	5,966,174	3,019,621	50.6
Century Ind.	3,421,659	1,850,406	54.1	—22,491	1,294,869	831,464	624,487	300,697	1,502,303	718,245	3,444,150	1,868,778	54.0	—11,159,684	14,603,834	9,157,651	62.7
Cimarron Casualty	568,865	319,319	56.2	49,315	154,744	94,456	123,950	76,437	290,171	148,426	519,550	318,567	61.3	—16,640	536,190	412,136	76.9
Citizens Gen., Cal.	In receivership										1,235,607	657,608	53.5	366,408	869,199	456,126	52.4
Citizens United	172,599	87,719	51.3	—102,808	7,829	3,520	7,712	2,260	157,658	81,939	275,407	211,312	76.5	50,318	225,089	162,837	72.3
Civil Serv., Cal.	2,767,034	1,370,058	49.6	1,639,547	1,118,355	517,965	561,669	282,244	1,087,010	569,849	1,127,487	821,106	72.5	962,594	164,893	111,804	67.8

Company	1953 Total Earned Prems. $	1953 Total Incurred Losses $	1953 Total Loss Ratio %	1953 Total Inc. or Dec. in Prems. $	1953 Liability Earned Prems. $	1953 Liability Incurred Losses $	1953 Property Damage Earned Prems. $	1953 Property Damage Incurred Losses $	1953 Phys. Damage Earned Prems. $	1953 Phys. Damage Incurred Losses $	1952 Total Earned Prems. $	1952 Total Incurred Losses $	1952 Total Loss Ratio %	1952 Total Inc. or Dec. in Prems. $	1951 Total Earned Prems. $	1951 Total Incurred Losses $	1951 Total Loss Ratio %
Coal Operators Cas.	257,732	185,090	72.0	103,974	72,723	74,438	49,579	37,027	135,430	73,625	153,758	94,142	61.5	11,417	142,341	99,384	69.7
Colonial	2,483,237	1,821,717	73.4	279,480	1,280,192	1,095,461	738,359	517,706	464,686	208,650	2,203,757	1,473,968	66.7	—92,989	2,296,746	1,363,272	59.3
Columbia Casualty	3,864,050	1,830,533	47.3	554,492	2,481,874	1,177,977	1,381,309	656,358	867	—3,802	3,309,558	2,086,823	63.0	829,312	2,480,246	1,365,285	55.0
Commerce	2,777,618	1,369,322	49.3	438,153	1,170,588	589,208	579,706	287,609	1,027,324	492,505	2,339,465	1,239,053	52.6	423,458	1,916,007	1,044,531	54.5
Commercial, N. J.	15,681,733	9,572,295	62.0	1,204,532	8,947,361	6,144,069	4,348,115	2,064,358	2,386,257	1,363,868	14,477,201	9,436,388	65.4	646,244	13,830,957	8,478,880	61.3
Coml. Stand., Tex.	5,321,478	2,411,989	45.2	221,274	2,103,009	1,004,629	1,211,414	558,567	2,007,055	848,793	5,542,752	2,662,258	48.3	1,200,908	4,341,834	2,149,019	49.5
Com'l. Un., Eng.	2,053,710	891,660	43.5	198,565	......	......	18,653	10,648	2,035,057	881,012	1,855,145	830,347	44.9	171,687	1,683,458	778,253	46.8
Com'l Un., N. Y.	511,456	221,773	43.1	49,464	......	......	4,663	2,662	506,793	219,111	461,992	206,789	44.5	42,628	419,364	194,199	46.8
Concordia	......	......	......	—1,518,130	......	......	......	......	......	......	1,518,130	884,728	58.5	491,598	1,026,532	527,249	51.4
Conn. Fire	5,845,358	3,292,961	56.4	1,184,460	328,877	155,765	189,294	126,632	5,327,187	3,010,564	4,660,898	2,521,289	54.0	1,636,438	3,024,460	1,663,438	55.0
Conn. Indem.	4,237,348	2,066,011	49.0	514,367	2,332,107	1,158,925	1,185,585	575,633	719,656	331,453	3,722,981	2,049,512	54.7	477,825	3,245,156	1,675,526	51.6
Continental Cas.	27,895,356	15,567,467	57.9	5,865,343	15,865,442	8,863,947	8,226,104	4,869,380	3,803,810	1,834,140	22,030,013	14,940,692	67.8	—2,227,458	24,257,471	16,303,205	67.2
Cont. Union	797,649	480,458	60.3	746,318	281,751	166,851	169,876	110,501	346,022	203,106	51,331	23,312	45.5	—194,458	245,789	141,908	57.8
Detroit F. & M.	970,418	464,762	47.8	235,010	196,536	108,834	99,929	56,608	673,953	299,320	717,408	368,409	51.3	115,393	602,015	297,653	49.3
Dixie F. & C.	672,676	299,657	44.5	177,987	237,922	122,755	156,180	77,378	278,574	99,524	494,689	242,564	48.9	386,654	108,035	54,086	45.7
Dub. F. & M.	305,371	118,304	39.8	137,079	90,356	27,553	55,768	26,775	159,247	63,976	168,292	63,916	38.0	64.825	103,467	40,207	38.8
Eagle Fire, NY	806,311	304,352	37.8	62,637	299,963	65,768	141,595	57,977	364,753	180,607	868,948	488,122	56.3	—202,875	1,071,823	700,261	65.3
Econ. F. & C., Ill.**	3,455,216	1,431,898	41.5	510,531	1,246,940	519,525	767,377	330,063	1,440,899	582,320	2,944,685	1,217,147	24.3	428,220	2,516,465	1,038,134	41.2
Employ. Cas. Tex.	7,976,666	3,284,334	41.1	1,315,896	3,478,126	1,518,556	1,853,435	830,082	2,645,105	935,696	6,660,770	3,799,091	56.8	1,271,289	5,389,481	2,483,903	46.1
Employers Fire	5,130,910	1,932,064	37.6	—443,618	48,807	24,417	29,588	17,715	5,052,515	1,889,932	5,574,528	2,508,691	44.8	—138,000	5,712,528	2,421,362	42.3
Employers, Ala.	1,421,360	528,225	26.9	171,304	600,239	223,073	344,435	170,746	476,686	134,406	1,250,056	412,445	32.9	94,770	1,155,286	464,051	40.2
Employers Liab.	22,499,339	10,387,054	46.0	2,166,416	13,549,285	6,761,856	7,408,365	2,978,558	1,541,689	646,640	20,332,923	11,055,042	54.2	2,517,443	17,815,480	11,287,025	63.3
Employers Re.	5,421,635	2,941,370	54.4	512,916	4,973,300	2,960,428	371,855	—19,058	76,480	42,722	4,908,719	3,126,638	62.5	—3,643,273	8,551,992	10,706,668	125.0
Equit. F. & M.	1,169,071	658,592	58.6	236,693	65,775	31,153	37,859	25,326	1,065,437	602,113	932,378	504,256	54.0	327,487	604,891	332,686	55.0
Equity Gen., Fla.	18,364	7,935	43.2	—51,069	5,777	2,779	3,859	2,037	8,728	3,119	69,433	31,440	46.3	......	......	......	......
Eureka Cas.	2,976,494	1,367,145	45.9	524,833	1,547,939	644,040	953,836	507,512	474,719	215,593	2,451,661	1,216,111	49.4	532,917	1,918,744	1,126,582	58.7
Excel Ins.†	3,935,849	2,451,079	62.3	302,408	......	—2,470	......	481	3,935,849	2,451,068	3,633,441	2,248,554	61.6	105,317	3,528,124	2,120,160	60.1
Excess	1,596,981	809,244	50.7	216,756	1,126,824	625,090	266,478	52,934	203,679	131,220	1,813,737	1,626,147	89.4	—169,238	1,982,975	1,760,185	88.7
Farm Bureau, Neb.	534,209	204,152	38.2	117,260	143,295	43,222	102,121	40,350	288,793	120,580	416,949	175,987	42.0	63,548	353,401	142,860	40.0
Federal	17,848,975	8,796,782	49.1	8,385,954	4,893,988	2,543,658	2,207,520	1,121,000	10,747,467	5,132,324	9,463,021	4,892,334	51.5	2,166,056	7,296,955	3,976,911	55.2
Fidelity & Cas.	58,511,622	33,945,393	57.9	12,443,209	39,529,860	24,336,651	18,981,762	9,608,742	......	......	46,068,413	27,264,957	37.2	10,404,417	35,663,996	24,465,482	68.5
Financial Indem.	2,658,388	1,012,155	38.2	856,367	395,125	277,991	243,211	112,585	2,020,052	621,579	1,802,021	960,888	53.4	—705,197	2,507,218	1,280,505	51.1
Fire Assn.	6,856,771	3,397,482	49.4	1,293,156	1,290,131	693,064	718,364	352,791	4,848,276	2,351,327	5,563,615	2,936,333	52.6	916,304	4,647,311	2,680,295	57.7
Fireman's Fund	11,282,556	5,021,450	44.6	32,456	1,431,081	562,187	752,881	302,653	9,098,594	4,156,610	11,250,100	5,706,281	51.0	385,560	10,864,540	5,791,137	53.3
Fireman's Fd. Ind.	22,548,038	6,451,610	28.6	804,847	12,083,496	1,945,605	5,859,919	2,621,282	4,604,623	1,884,723	21,743,191	14,753,067	67.6	2,969,483	18,773,708	11,171,153	59.4
Firemen's, N. J.	20,667,588	11,076,840	53.5	7,655,043	7,139,666	4,568,256	3,864,950	2,168,855	9,662,972	4,339,729	13,012,545	7,583,392	58.3	4,213,686	8,798,859	4,519,283	51.3
Founders, Cal.	1,486,629	521,212	35.1	51,188	609,097	166,162	302,041	129,576	575,491	225,474	1,435,441	765,286	53.5	—320,712	1,756,153	1,369,521	77.8
Franklin Cas., Okla.	219,047	88,116	40.2	31,901	59,237	24,795	36,019	18,394	123,791	44,927	187,146	81,760	43.7	70,494	116,652	54,056	46.3
Franklin Nat'l.	1,067,482	546,615	51.2	201,907	320,666	170,191	172,086	103,897	574,730	272,527	865,575	501,869	58.0	153,649	711,926	400,137	56.3
Freeport Mot., Ill.	4,320,076	1,545,351	35.7	576,074	1,541,192	412,160	962,859	423,101	1,816,025	710,090	3,744,002	1,549,858	24.6	495,315	3,248,687	1,332,050	41.0
General Accident	35,492,015	16,313,815	45.9	5,524,701	20,092,933	9,180,337	10,372,363	4,991,245	5,026,719	2,142,233	29,967,314	15,304,851	51.1	4,287,115	25,680,199	14,300,254	55.8
Gen. Amer. Cas.	3,429,770	2,463,115	72.1	1,647,213	766,153	532,610	474,148	464,374	2,189,469	1,466,131	1,782,557	1,251,407	70.2	—326,307	2,108,864	1,425,227	67.5
Gen. Bonding	1,345,577	762,308	56.6	203,584	336,054	241,469	211,710	151,783	797,813	369,056	1,141,993	561,167	49.2	193,705	948,288	503,445	52.7
Gen. Cas., Wash.	22,295,884	10,347,572	46.5	4,700,985	14,446,006	6,864,278	7,837,970	3,483,154	11,908	140	17,594,899	11,032,615	63.0	3,410,798	14,184,101	7,846,019	55.2
General Cas., Wisc.	7,587,435	3,445,066	43.9	679,715	3,306.312	1,623,591	1,747,136	777,030	2,533,987	1,044,445	6,907,720	3,265,783	47.2	756,043	6,151,677	2,932,949	47.6
Gen. F. & C.	8,112,928	5,095,154	62.6	939,658	6,388,074	4,206,216	1,712,809	882,877	12,045	6,061	7,173,270	5,105,241	72.6	1,267,250	5,906,020	4,273,393	72.3
General, Tex.	1,207,519	545,939	45.1	409,468	479,431	206,825	279,144	140,347	448,944	198,767	798,051	475,898	59.5	23,141	774,910	411,813	53.1
General Reinsurance	8,121,982	3,770,864	46.4	473,585	6,072,202	3,530,803	1,755,033	72,591	297,747	167,470	7,648,397	4,004,498	52.3	1,819,482	5,828,915	3,780,473	64.8
Gen. Security	494,210	191,012	38.6	254,296	......	......	8,376	74,775	485,834	116,237	239,914	131,570	54.7	10,102	229,812	132,694	57.7
Georgia Cas. & Sur.	1,536,228	793,629	51.6	355,345	399,159	136,828	288,654	144,077	848,415	512,724	1,180,883	646,922	54.8	259,907	920,976	549,020	59.7
Girard, Pa.	2,159,300	1,157,281	53.6	1,132,903	745,935	477,280	403,801	226,577	1,009,564	453,404	1,026,397	884,728	58.5	—135	1,026,532	527,249	51.4
Glens Falls	15,276,900	7,531,273	49.3	2,409,846	6,438,235	3,240,646	3,188,383	1,581,850	5,650,282	2,708,777	12,867,054	6,814,790	53.2	2,329,018	10,538,036	5,744,921	54.5
Glens Falls Ind.	9,721,663	4,792,628	49.1	533,537	4,097,058	2,062,229	2,028,971	1,006,632	3,595,634	1,723,767	9,188,126	......	......	1,482,103	6,706,023	3,655,859	54.5
Globe & Rut.	2,101,383	1,069,501	50.6	390,326	80,249	33,035	23,711	27,172	1,997,423	1,009,294	1,711,057	870,196	50.8	53,538	1,657,519	785,134	47.2
Globe Indem.	17,464,406	9,603,039	55.0	1,394,909	10,382,968	6,074,187	5,133,388	2,650,330	1,948,050	878,522	18,859,315	11,337,367	60.3	2,176,316	16,682,999	10,484,206	62.8
Govt. Employees	17,972,817	9,452,739	52.6	5,349,835	6,949,184	3,943,944	3,577,291	2,026,595	7,446,342	3,482,200	12,622,982	6,907,273	54.7	3,692,312	8,930,670	4,682,720	52.4
Granite State	966,257	536,655	55.5	147,775	86	55	37	55	966,134	536,545	818,482	455,236	56.5	128,209	690,273	342,141	49.5
Great Amer.	13,433,675	6,440,410	47.8	3,389,946	2,724,630	1,506,643	1,384,361	784,942	9,324,684	4,148,825	10,043,729	5,154,079	51.5	1,615,457	8,428,272	4,165,559	49.3
Gr. Am. Indem.	18,084,132	9,537,191	52.7	—571,647	12,099,256	6,578,324	5,767,700	2,828,407	217,176	130,460	18,655,779	11,116,594	59.8	1,188,253	17,467,526	9,991,867	57.2
Great Northern, Minn.	2,980,132	1,474,957	49.4	......	1,219,564	636,981	592,451	311,236	1,168,117	526,740	......	......	......	......	......	......	......
Guarantee, Cal.	1,637,126	946,942	57.8	912,549	687,362	386,658	396,573	250,603	553,191	309,681	724,577	447,464	61.9	323,378	401,199	224,414	56.0
Guaranty F.&M., S. C.	1,076,802	713,880	66.0	......	144,749	48,723	—5,599	38,731	937,652	606,426	......	......	......	......	......	......	......
Gulf, Tex.	6,243,962	2,785,066	44.7	1,134,661	2,159,322	947,943	1,296,311	676,804	2,788,329	1,160,419	5,109,301	2,130,939	41.7	1,360,518	3,748,783	1,583,391	42.2
Hanover	3,997,275	1,777,390	44.5	145,482	13,267	8,269	3,426	—5,350	3,980,582	1,777,390	3,851,793	1,796,803	20.5	177,202	3,674,591	1,759,464	47.8
Harbor, Cal.	2,436,573	1,083,722	44.5	264,416	906,256	370,969	512,508	261,078	1,017,809	451,675	2,172,157	1,174,954	54.0	—755,993	2,928,150	1,714,163	58.5
Hartford Acc.	83,009,750	45,960,296	55.3	9,260,503	54,259,218	32,406,782	28,069,913	13,250,415	680,619	303,099	73,749,247	46,421,633	62.8	9,804,160	63,945.087	39,567.127	61.8
Hawkeye-Sec.	3,058,513	1,215,722	39.9	—160,831	1,072,524	446,234	765,817	285,854	1,220,172	483,634	3,219,344	1,690,468	52.6	—490,448	3,709,792	1,886,053	50.8
Highway Cas., Ill.	619,745	369,599	59.7	195,134	290,186	155,610	171,071	115,635	158,488	98,354	424,611	253,320	60.5	280,008	144,603	102,978	71.2
Home F. & M.	2,820,640	1,255,361	44.5	8,016	357,770	140,547	188,220	75,663	1,274,649	1,039,151	2,812,524	1,426,571	50.5	96,389	2,716,135	1,447,784	53.1
Home Indem.	19,939,145	10,900,819	54.7	808,838	13,120,331	7,663,231	6,698,048	3,162,909	120,766	74,679	19,130,307	12,711,656	66.5	2,019,713	17,110,594	10,225,934	59.8
Home, Hawaii	864,435	271,262	31.4	82,412	321,234	89,100	205,400	82,438	337,801	99,724	782,023	255,186	32.6	109,131	672,892	255,041	37.9
Hoosier Cas.	2,812,807	1,144,776	40.7	347,460	937,545	336,416	711,378	330,425	1,163,884	477,935	2,465,347	967,116	39.3	251,481	2,213,866	860,144	38.9
Houston F. & C.	2,637,449	1,122,778	42.7	—812,620	1,058,634	315,821	610,573	338,215	968,242	468,742	3,450,069	2,002,354	59.1	1,192,585	2,257,484	1,480,374	65.6
Idaho Farm	1,187,211	728,905	61.3	138,161	249,956	221,551	109,922	113,644	827,333	393,710	1,049,050	544,372	52.0	179,616	869,434	411,364	46.3
Ill. Nat'l. Cas.	5,083,013	2,443,430	48.2	345,386	1,784,856	841,360	1,261,516	600,761	2,036,641	1,001,309	4,737,627	2,546,509	32.5	474,476	4,263,151	2,061,762	48.4
Indem. of N. Am.	32,480,201	16,820,782	51.7	7,035,264	19,211,857	9,864,226	9,976,328	5,212,977	3,292,016	1,743,579	25,444,937	15,961,631	62.8	5,194,081	20,250,856	12,573,923	62.0
Indiana	5,503,658	2,412,238	41.9	995,241	1,685,110	623,002	1,333,922	682,678	2,484,626	1,106,558	4,508,417	2,263,630	50.2	675,443	3,832,974	2,016,212	52.6
Industrial, Iowa	6,385,166	3,583,940	56.2	1,034,539	536,262	217,782	382,909	190,652	5,463,995	3,175,506	5,350,627	3,057,013	57.0	1,314,289	4,036,338	2,204,340	54.7
Inland Emp., Ida.	557,745	262,756	47.0	—85,837	123,858	54,324	80,533	44,404	353,354	164,028	643,582	305,926	47.4	268,371	375,211	156,132	41.6
Ins. Co. of Texas	1,786,361	1,035,389	58.0	428,511	617,194	276,538	365,349	223,852	803,818	534,999	1,357,850	927,890	68.6	—339,731	1,697,581	890,830	52.5
Ins. Co. of N. A.	15,087,469	6,805,445	45.1	1,755,603	2,468,054	1,250,212	1,071,213	557,141	11,548,212	4,998,092	13,331,866	6,526,191	49.0	919,884	12,411,982	5,634,787	45.3
Insurors Corp., Tex.	216,064	7,064	3.3	—483,825	118,103	8,478	69,443	—77	28,523	—1,337	699,894	538,978	76.8	467,662	232,232	129,445	55.7
Insurors Indem.	1,178,372	560,872	47.6	—435,804	405,570	191,124	255,921	133,762	516,881	235,986	1,614,176	924,204	57.3	227,435	1,386,741	950,224	68.5
Int'l. Service, Tex.	2,920,768	1,465,187	49.9	898,907	712,297	442,603	470,947	260,974	1,737,524	761,610	2,021,861	1,269,631	62.3	585,867	1,435,994	808,822	56.3
Interstate Ind., Cal.	4,323,509	2,576,206	63.8	2,642,965	93,367	53,517	58,351	41,209	4,171,791	2,484,480	1,680,544	988,746	58.7	1,303,684	376,860	302,712	80.2
Kan. City F. & M.	3,220,855	1,928,352	59.8	449,141	180,012	91,983	107,857	47,653	2,932,986	1,773,781	2,771,714	1,625,532	58.5	555,385	2,216,329	1,258,247	55.8
Keystn. Auto Cl. Cas.	9,726,519	4,386,453	45.0	1,663,756	3,894,908	1,746,519	2,280,861	1,125,644	3,550,750	1,514,290	8,062,763	3,904,741	48.4	1,168,497	6,894,266	3,242,182	47.0
La Salle, Ill.	219,748	140,277	64.0	—215,183	116,023	88,096	50,794	42,269	52,931	9,912	434,931	272,727	62.7	—110,114	545,045	266,090	48.8
Liberty, Tex.††	329,018	......	......	—35,102	149,639	......	87,509	......	91,870	......	364,120	148,331	40.6	75,262	288,858	143,675	49.7
L. & L. & G.	6.653,746	3,335,076	50.1	1,486,401	2,614,416	1,458,292	1,292,579	650,600	2,746,751	1,226,184	5,167,345	2,964,625	57.2	1,554,342	3,613,003	1,946,434	53.8
Lond. & Lanc. Ind.	4,791,132	2,099,965	43.8	39,413	3,188,388	1,411,121	1,561,560	688,051	41,184	20,793	4,751,719	2,706,305	56.9	87,233	4,664,486	3,196,405	68.5
London Guar.	10,193,306	5,489,322	53.8	963,374	5,294,384	3,193,934	2,928,897	1,392,279	1,970,025	903,109	9,229,932	5,052,922	54.7	2,754,327	6,475,605	3,625,231	56.0
Maine Bonding	1,037,141	518,789	50.0	297,579	483,147	275,502	359,271	160,597	194,723	82,690	739,562	313,779	42.4	120,608	618,954	267,376	43.2
Manhattan Cas.	4,146,219	3,589,757	86.9	—505,775	3,076,490	2,080,927	1,017,310	1,491,639	52,419	17,191	4,651,994	2,754,474	59.1	644,368	4,007,626	2,428,922	60.7
Mfrs. & Mer. Ind.	4,320,781	2,543,843	59.0	79,806	1,311,608	675,813	896,106	683,320	2,113,067	1,184,710	4,240,975	2,691,582	63.4	—295,492	4,536,467	2,740,686	60.5
Mfrs. Cas.	9,715,754	4,663,717	47.9	1,963,708	4,774,948	2,176,379	2,693,144	1,422,416	2,247,662	1,064,922	7,752,046	4,068,330	52.1	570,553	7,181,493	4,638,578	64.5
Marine, England	1,220,840	603,034	49.4	207,626	332,052	179,656	148,066	70,389	740,722	352,989	1,013,214	517,217	51.1	119,903	893,311	467,087	52.2
Marquette Cas., La.	458,427	283,095	58.9	—40,894	205,679	132,093	110,544	66,974	142,204	84,028	499,321	186,870	37.2	245,142	253,179	144,475	57.1
Maryland Cas.	34,549,417	17,238,601	49.9	4,129,489	21,233,588	10,792,120	11,312,753	5,904,635	2,003,076	541,846	30,419,928	16,340,722	53.6	355,764	30,775,692	18,504,524	60.2
Mass. Bonding	15,736,159	8,712,852	56.7	776,291	9,968,738	5,901,705	4,998,364	2,453,261	769,057	357,886	14,959,868	8,725,740	58.5	1,269,181	13,690,687	9,274,181	67.7
Mass. F. & M.	970,418	464,762	47.8	253,010	196,536	108,834	99,929	56,608	673,953	299,320	717,408	368,409	51.3	115,392	602,016	297,654	49.4
Mech. & Trad.	1,067,482	546,615	51.4	201,907	320,666	170,191	172,086	103,897	574,730	272,527	865,575	501,869	58.0	153,649	711,926	400,137	56.3
Merchants Indem.	5,951,855	2,711,258	45.4	1,360,247	3,199,298	1,493,610	1,843,112	839,548	909,445	378,100	4,591,608	2,328,440	50.5	1,049,939	3,541,669	1,783,992	50.3
Metropol. Cas.	14,467,253	7,967,638	55.1	1,018,825	7,705,736	4,626,732	4,041,257	1,956,515	2,720,260	1,384,391	13,448,428	8,670,055	64.7	694,093	12,754,335	7,974,202	62.5
Mich. F. & M.	676,734	333,214	49.3	84,753	122,094	56,685	58,739	27,553	495,901	248,976	591,981	303,759	51.6	28,586	562,395	304,842	54.2
Mich. Surety	2,670,219	1,301,007	48.9	—672,731	732,547	433,268	564,418	307,268	1,373,254	560,471	3,342,950	1,692,814	52.3	776,486	2,566,464	1,097,782	42.7
Mid-Continent, Mo.	1,172,608	574,974	48.8	—285,791	233,866	107,504	154,226	83,465	784,516	384,005	1,458,399	761,123	51.1	......	......	......	......
Mid-Continent, Tex.	......	—251	......	—24,492	......	616	......	—290	......	—581	24,492	12,017	49.2	—91,716	116,208	85,243	73.3
Mid-States	4,166,934	2,140,476	51.4	—118,501	2	3,286	1	—1,250	4,166,931	2,138,440	4,285,435	2,470,531	59.0	—636,115	4,921,550	2,894,207	58.8
Midwestern Ind., O.	468,984	254,496	54.3	150,582	121,550	67,157	105,722	73,462	241,712	113,877	318,402	154,708	48.4	148,264	170,138	53,641	31.5
Midwestern, Okla.	783,085	438,799	56.0	—292,572	293,130	235,306	161,162	70,288	328,793	133,205	1,075,657	557,632	27.1	33,033	1,042,624	593,518	56.8
Milwaukee Ins.	5,860,958	3,141,193	53.7	1,740,321	2,024,681	1,295,476	1,096,031	615,048	2,740,246	1,230,669	4,120,637	2,401,406	58.3	1,334,332	2,786,305	1,431,107	51.3
Moral, Okla.	In receivership										806,197	415,754	51.4	—144,755	950,952	376,158	39.6
Motor Veh. Cas., Ill.	3,721,883	1,668,072	44.7	383,524	1,380,245	747,251	871,771	361,879	1,469,867	558,942	3,338,359	1,332,232	39.9	381,371	2,956,988	1,295,178	43.8
Narragansett	......	......	......	—84,070	......	......	......	......	......	......	84,070	67,700	79.6	—124,145	208,225	79,120	37.9
Natl. Auto & Cas.	6,988,748	3,266,250	50.4	1,494,564	2,884,400	1,419,577	1,696,085	898,156	2,408,263	948,517	5,494,184	3,166,032	57.6	1,443,298	4,050,888	2,377,529	57.6
Natl.-Ben Franklin	2,159,300	1,157,281	53.4	641,170	745,935	477,280	403,801	226,597	1,009,564	453,404	1,518,130	884,728	58.5	491,597	1,026,533	527,249	51.4
Nat. Capital	19,480	5,709	29.4	—1,586	......	......	3,647	1,739	15,833	3,970	21,066	6,864	32.2	—2,767	23,833	5,528	23.2
National Cas.	689,936	569,685	82.6	—247,949	372,981	407,166	190,738	105,531	126,217	56,992	937,885	614,948	65.5	423,428	514,457	437,470	85.0
Nat'l., Conn.	17,079,703	8,745,848	51.4	3,230,479	5,130,661	2,723,056	2,753,369	1,662,359	9,195,673	4,360,433	13,849,224	8,029,922	58.0	2,459,418	11,390,806	6,402,180	56.2

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Company	1953 Total Earned Prems. $	1953 Total Incurred Losses $	1953 Total Loss Ratio %	1953 Total Inc. or Dec. in Prems. $	1953 Liability Earned Prems. $	1953 Liability Incurred Losses $	1953 Property Damage Earned Prems. $	1953 Property Damage Incurred Losses $	1953 Phys. Damage Earned Prems. $	1953 Phys. Damage Incurred Losses $	1952 Total Earned Prems. $	1952 Total Incurred Losses $	1952 Total Loss Ratio %	1952 Total Inc. or Dec. in Prems. $	1951 Total Earned Prems. $	1951 Total Incurred Losses $	1951 Total Loss Ratio %
Nat. Fidelity, S. C.	**707,737**	**324,816**	**45.7**	**91,292**	**193,095**	**93,877**	129,637	67,925	385,005	163,014	616,445	268,040	43.5	141,919	474,526	248,310	52.3
Nat. F. & M., Neb.	41,938	7,333	17.5	10,621	12,638	1,845	8,527	2,021	21,113	3,467	31,327	13,714	43.9	13,267	18,060	9,736	53.9
Natl. Indem., Neb.	1,538,123	809,848	52.8	242,015	758,516	417,140	390,098	196,798	389,509	195,910	1,296,108	647,956	51.0	—154,035	1,450,143	743,470	51.2
National Surety	7,444,529	4,140,867	55.6	951,445	4,823,720	2,743,838	2,620,809	1,397,029	....	....	6,493,084	3,791,010	58.3	1,738,229	4,754,855	3,392,960	71.3
Nat.'l Union	6,001,975	3,096,330	51.5	1,164,733	1,323,425	675,630	769,842	456,813	3,908,708	1,954,837	4,837,202	2,521,174	52.1	841,039	3,996,163	2,176,111	54.4
National Un. Ind.	353,056	182,135	51.5	—1,222,840	77,848	39,745	45,284	27,400	229,924	114,990	1,575,896	909,731	57.8	243,081	1,332,815	841,965	63.1
New Amsterdam Cas.	25,039,567	14,346,193	57.1	3,247,186	15,283,846	9,107,051	7,741,984	4,263,270	2,013,737	975,872	21,792,186	12,670,902	58.0	4,277,247	17,514,939	10,656,174	60.8
Newark	4,250,054	1,949,599	45.6	1,199,679	1,687,906	855,235	876,542	381,322	1,685,606	713,041	3,050,375	1,752,178	57.4	963,175	2,087,200	1,125,487	53.8
New England	902,312	444,283	49.3	113,003	162,792	75,580	78,319	36,736	661,201	331,967	789,309	405,013	51.3	39,438	749,861	406,458	54.2
New Hampshire	**3,425,817**	**1,902,502**	**55.6**	**523,924**	**304**	**195**	130	195	3,425,383	1,902,112	2,901,893	1,614,027	55.5	454,561	2,447,332	1,211,560	49.5
New Zealand	1,063,522	604,077	56.7	37,727	310,507	225,953	188,028	100,659	564,987	277,465	1,025,795	602,280	59.0	324,714	701,081	418,473	59.7
N. J. Mfrs. Indem.	5,981,065	2,238,970	37.2	2,089,417	2,524,831	951,620	1,675,573	708,765	1,780,661	578,585	3,891,648	1,606,144	41.1	1,658,510	2,233,138	964,610	43.2
N. J. Mfrs. Cas.	42,191	253,730	601.1	—757,916	31,944	250,069	10,247	3,661	....	....	800,107	567,442	70.9	—595,084	1,395,191	620,267	44.4
N. Am. C. & S. Re.	9,484,509	4,850,610	51.2	1,524,992	7,081,982	4,283,932	1,851,858	421,448	550,669	145,230	7,959,517	4,621,627	58.2	1,244,719	6,714,798	4,303,447	64.2
N.A.F.&M. Re.	96,186	46,136	47.9	16,980	47,213	28,497	12,346	2,977	36,627	14,662	79,206	44,631	56.4	54,317	24,889	11,214	45.0
Northeastern, Conn.	1,877,322	823,748	44.0	41,574	536,262	230,062	382,909	178,817	958,151	414,869	1,835,748	936,480	51.0	420,370	1,415,378	674,761	47.7
Northern, Eng.	1,269,297	725,371	57.1	289,214	207,588	162,656	90,346	67,812	971,363	494,903	980,083	493,413	50.4	185,610	794,473	375,597	47.2
Northern, N. Y.	5,640,728	2,589,726	45.6	502,345	91,035	45,590	56,160	49,652	5,493,535	2,494,484	5,138,383	2,354,642	45.8	233,683	4,904,700	2,538,314	51.7
North River	2,052,164	936,730	45.7	510,635	278,586	148,580	140,248	85,035	1,633,330	703,115	1,541,529	746,855	48.5	66,428	1,475,101	692,394	46.9
Northwest Cas.	14,588,648	6,304,544	43.4	2,502,059	5,836,462	2,647,603	3,282,108	1,561,557	5,470,078	2,095,384	12,086,589	6,075,946	51.0	2,791,778	9,294,811	4,273,361	46.9
N. W. Nat. Cas.	5,983,247	3,404,532	57.0	1,383,684	3,730,589	2,340,224	2,062,748	965,356	189,810	96,952	4,599,563	2,443,581	53.2	1,035,319	3,564,244	1,967,443	55.2
Norwich Un.	829,417	285,675	34.4	—105,892	366,622	80,383	173,061	70,860	289,734	134,432	935,509	532,975	57.0	511,923	423,586	232,545	54.9
Ocean Accident	5,775,917	2,452,989	42.6	852,301	3,778,345	1,524,980	1,991,270	926,692	6,292	1,317	4,923,616	2,882,286	58.5	564,946	4,358,670	2,401,698	55.1
Ohio Cas.	33,994,053	15,099,634	44.3	5,887,890	14,388,751	6,481,551	9,258,877	4,372,766	10,346,425	4,245,317	28,106,163	13,538,955	48.1	4,844,788	23,261,375	11,295,974	48.7
O. Farmers Ind.	8,914,754	3,787,269	42.4	1,645,295	5,432,564	2,225,288	3,482,190	1,561,981	....	....	6,467,094	2,915,246	45.0	1,649,319	4,817,775	2,558,442	53.1
Old Colony	3,500,526	1,819,949	51.6	1,746,529	818,895	452,406	451,546	240,216	2,230,085	1,127,327	1,753,997	1,479,040	52.3	126,765	1,627,232	951,742	58.4
Ohio Valley‡	301,670	192,449	63.8	78,632	23,843	9,673	19,495	11,697	258,332	171,079	223,038	142,593	63.5	32,930	190,408	130,086	68.3
Olympic, Cal.	5,355,935	2,641,255	49.3	1,200,190	4,045	—6,373	2,640	752	5,349,250	2,646,876	4,155,745	2,818,578	67.6	445,220	3,710,525	2,231,721	60.1
Oregon Auto	4,010,432	2,033,353	51.0	548,675	1,522,062	1,010,131	1,071,779	462,005	1,416,591	561,217	3,461,757	1,857,466	53.4	261,493	3,200,264	1,654,850	51.6
Ore. Farm Bur.	338,369	167,650	49.4	47,992	103,171	64,461	70,877	35,403	164,321	67,786	290,377	127,701	43.8	27,315	253,062	145,458	57.5
Pacific Auto	3,409,595	1,529,663	43.7	675,787	1,505,626	742,397	846,664	341,533	1,057,305	445,733	2,733,808	1,414,027	51.5	573,732	2,160,076	1,203,100	55.7
Pacific Employers	7,360,067	3,564,619	48.3	1,109,737	3,180,228	1,688,964	1,894,158	867,207	2,285,681	1,008,448	6,250,330	3,521,652	56.4	—1,015,645	7,265,975	5,014,361	69.0
Pacific, Hawaii	1,283,233	439,826	34.1	....	405,867	102,613	330,238	149,786	547,128	187,427	....	....	....	....	....	....	....
Pacific Indem.	16,026,235	7,415,416	46.2	1,011,475	7,075,642	3,539,078	3,911,504	1,765,868	5,039,089	2,110,470	15,014,760	8,983,124	59.8	770,956	14,243,804	8,272,015	58.0
Palatine	359,069	155,901	43.1	34,664	....	....	3,264	1,864	355,805	154,037	324,435	145,151	44.4	29,895	294,540	136,571	46.3
Pan American	826,552	415,654	50.2	—281,544	353,288	196,335	192,755	82,993	280,509	136,326	1,108,096	512,555	45.5	443,721	664,375	332,870	50.1
Pan Am. Cas. Tex.	1,381,709	678,836	49.0	417,525	588,514	353,388	339,726	105,463	453,469	219,985	964,184	480,205	49.8	63,510	900,674	403,083	44.8
Pa. Mfrs. Assn.	4,042,056	1,530,210	37.9	571,569	1,798,408	641,628	1,175,363	571,826	1,068,285	316,756	3,470,487	1,629,516	46.6	404,818	3,065,669	1,603,913	52.3
Peerless Cas.	6,564,855	3,607,575	55.1	792,724	3,774,019	2,457,420	1,479,927	523,304	1,310,909	626,851	5,772,131	3,780,178	65.5	1,743,056	4,029,075	2,913,574	72.3
Phila. F. & M.	2,773,986	1,314,959	47.3	332,617	304,447	220,229	169,573	96,365	2,299,966	998,365	2,441,369	1,168,416	47.5	97,703	2,343,666	993,241	42.3
Phoenix, Conn.	9,696,594	5,456,908	56.2	1,971,162	554,997	258,126	313,688	209,847	8,827,909	4,988,935	7,725,432	4,178,137	54.0	2,713,468	5,011,964	2,756,525	55.0
Phoenix Indem.	6,795,537	3,659,547	53.9	642,250	3,529,589	2,129,288	1,952,598	928,186	1,313,350	602,073	6,153,287	3,368,615	54.7	638,169	5,515,118	2,992,536	54.2
Potomac	8,411,752	3,716,854	44.1	1,138,865	2,232,548	1,020,038	1,152,484	554,582	5,026,720	2,142,234	7,272,887	3,403,363	46.7	994,789	6,278,098	3,218,856	51.2
Preferred, Mich.	3,839,156	2,489,074	64.6	761,695	1,399,481	911,636	938,337	642,935	1,501,338	934,503	3,077,461	1,776,486	57.7	1,265,211	1,812,250	865,580	47.7
Prof. & Bus. Men's	Out of business										8,883	41,713	470.0	—141,254	150,137	110,413	73.5
Prov. Wash.	5,264,169	2,575,198	52.1	317,759	1,400,717	723,573	707,773	359,580	3,155,679	1,492,045	5,581,928	2,968,738	53.0	—277,561	5,859,489	3,242,665	55.4
Provident Fire	787,071	378,567	48.0	162,739	79,991	47,301	41,524	22,848	665,556	308,418	624,332	286,297	45.8	127,604	496,728	227,717	45.9
Prov. Wash. Ind.	1,201,721	507,042	42.0	430,766	770,503	314,942	431,218	192,100	....	....	770,955	415,457	53.9	408,781	362,174	190,542	52.6
Public Nat'l., Fla.	832,295	390,136	46.8	454,850	422,923	210,418	269,613	116,292	139,759	63,426	377,445	203,284	54.7	98,900	278,545	139,440	50.1
Queen	9,742,369	4,889,439	50.2	1,091,293	3,846,927	2,148,808	1,901,938	958,027	3,993,504	1,782,604	7,651,076	4,395,179	58.0	2,353,882	5,297,194	2,858,101	53.9
Rainier Nat'l.	667,304	370,780	55.4	—271,107	227,557	176,440	158,020	86,673	281,727	107,667	938,411	538,117	57.4	42,143	896,268	421,587	47.0
Reins. Corp.	1,066,764	515,368	48.4	120,160	34,205	13,900	11,869	941	1,020,690	500,527	946,604	624,694	65.8	539,295	407,309	327,601	80.3
Reliance, Pa.	1,713,954	849,370	49.4	323,401	322,394	173,341	179,590	88,197	1,211,970	587,832	1,390,553	734,083	56.5	228,296	1,162,257	655,073	56.3
Republic Indemnity	1,181,892	457,950	38.6	149,038	308,944	128,107	327,733	119,882	545,215	209,961	1,032,834	578,446	56.0	—131,609	1,164,443	607,241	52.1
Republic Ind., O.	1,001,128	455,917	45.2	124,804	286,690	93,578	271,744	145,742	442,694	216,597	876,324	365,742	42.0	144,052	732,272	310,953	42.4
Republic Cas. Tex.	1,086,540	473,746	43.5	354,284	332,309	145,301	215,846	112,761	538,385	215,684	732,256	341,844	46.5	379,115	353,141	180,529	51.1
Reserve, Ill.	1,706,003	965,417	56.5	748,852	82,720	60,802	33,722	19,474	1,589,561	885,141	957,151	477,774	49.9	548,606	408,545	311,819	76.2
Riverside, Ark.	604,373	328,937	54.5	143,252	87,863	26,285	53,848	35,599	462,662	267,053	461,121	263,297	57.0	197,234	263,887	177,199	67.2
Rochester Amer.	970,418	464,762	47.8	336,048	196,536	108,834	99,929	56,608	693,953	299,320	634,370	318,162	51.2	32,354	602,016	297,654	49.4
Royal	7,693,647	3,861,075	50.3	1,828,116	3,062,602	1,707,070	1,514,164	761,847	3,116,881	1,392,158	5,865,531	3,368,593	57.2	1,788,980	4,076,551	2,200,172	53.9
Royal Exchange	926,496	468,190	51.1	221,504	119,981	70,950	62,286	34,270	744,229	362,970	704,892	366,301	51.6	128,765	576,227	259,368	45.0
Royal Indem.	19,392,080	10,654,464	54.9	—1,339,463	11,503,432	6,725,886	5,687,351	2,935,445	2,201,297	993,133	20,791,543	12,499,158	58.0	2,473,775	18,317,768	11,510,046	62.8
St. Paul-Merc. Ind.	19,888,956	9,233,308	46.4	2,015,154	12,633,536	5,972,641	7,053,466	3,140,962	201,954	119,705	17,873,802	10,105,623	56.8	2,829,176	15,044,626	11,606,526	77.3
Sea	610,418	301,514	49.3	103,811	166,026	89,829	74,032	35,192	370,360	176,493	506,607	258,612	51.0	59,952	446,655	233,574	52.3
Seaboard Surety	170,023	80,696	47.4	23,155	112,603	59,564	57,404	21,132	16	....	146,868	88,875	60.7	18,462	128,406	106,617	82.9
Secured Cas.	1,058,787	594,042	56.1	355,104	349,583	156,477	246,852	173,643	462,352	263,922	703,683	345,989	49.0	110,004	593,599	417,817	70.4
Secur. Conn.	3,331,532	1,572,545	47.2	210,266	777,369	386,308	395,195	191,878	2,158,968	994,359	3,121,266	1,520,269	48.7	268,280	2,852,986	1,383,956	48.5
Secured F. & M.	626,485	313,975	50.0	54,028	171,366	105,737	157,895	74,633	297,224	133,605	572,457	362,400	64.5	—43,670	616,127	316,387	51.3
Selected Risks	556,391	232,939	41.7	217,883	....	....	156,066	80,218	400,325	152,721	338,508	118,509	35.0	46,100	292,408	88,663	30.3
Sel. Risks Indem.	4,884,695	2,333,795	41.6	1,236,228	2,426,746	1,190,458	1,383,877	704,096	1,074,072	439,241	3,648,467	1,968,477	53.8	806,343	2,842,124	1,354,872	47.6
Sequoia	673,081	316,687	46.9	337,678	288,071	158,501	146,248	63,057	238,762	95,129	335,403	170,776	50.6	163,675	171,728	114,430	66.7
Southeastern	2,908,498	1,361,589	46.8	233,065	4,308	2,420	2,609	943	2,901,581	1,358,226	2,675,433	1,397,165	52.0	158,147	2,517,286	1,232,644	48.9
So. Farm Bur., Miss.	7,716,853	3,644,243	47.3	2,266,206	2,565,925	1,300,660	1,972,011	867,170	3,178,917	1,476,413	5,450,647	2,393,746	43.9	2,353,650	3,096,997	961,588	31.0
Southern F. & C.	1,901,464	912,170	47.6	91,287	882,516	431,021	508,526	258,125	510,422	223,024	1,810,177	805,632	44.6	246,001	1,564,176	636,085	40.6
So. Fire, N. C.	272,295	125,168	45.9	68,504	37,144	19,995	18,700	11,632	216,451	93,541	203,791	98,630	47.5	15,261	188,530	89,250	47.3
Southern Gen., Ga.	371,019	202,924	54.4	189,227	121,069	53,693	50,063	26,761	199,887	122,470	181,792	112,877	62.3	36,412	145,380	83,056	57.1
Southern Home, S. C.	235,045	100,347	42.6	130,269	89,878	43,186	52,702	26,156	92,465	31,005	104,776	60,635	58.2	43,612	61,164	30,341	49.6
S. W. F. & C., Tex.	1,578,003	774,732	49.1	33,912	517,447	235,844	321,644	172,221	738,912	366,667	1,544,090	857,473	55.6	747,139	796,951	433,258	54.3
S. W. Cas., Ark.	980,936	479,551	48.9	—78,805	110,108	48,178	72,123	33,618	798,705	397,755	1,059,741	584,293	55.5	109,118	950,623	486,806	51.2
S. W. Gen., Tex.	568,716	246,707	43.3	206,073	301,335	124,902	103,036	43,897	164,345	77,908	362,643	202,364	55.8	39,938	322,705	110,634	34.2
Springfield F. & M.	7,444,074	3,665,345	48.0	932,267	1,343,034	623,535	646,133	303,075	5,454,907	2,738,735	6,511,807	3,341,366	51.2	334,453	6,176,354	3,353,214	54.2
Standard Acc.	29,741,695	12,013,703	40.5	2,185,408	21,955,189	8,882,201	6,064,939	2,420,988	1,721,567	710,514	27,556,287	16,185,666	58.4	4,330,834	23,225,453	14,997,515	64.5
Stand. Cas., Tex.	1,376,785	746,982	54.3	....	3,174	610	2,215	5,546	1,371,396	740,826	....	....	....	....	....	....	....
Standard, Ga.	326,417	180,568	59.5	161,714	4,422	1,580	1,690	559	320,386	178,429	164,703	95,244	57.0	75,429	89,274	37,737	42.2
Stand. Motor Ind.	403,379	206,548	51.1	—54,124	117,426	48,410	89,636	56,344	196,317	101,794	457,503	274,460	60.0	197,828	259,675	131,210	50.5
Stand., N. Y.	3,421,659	1,850,406	54.0	—22,491	1,294,869	831,464	624,487	300,697	1,502,303	718,245	3,444,150	1,868,778	54.0	19,462	2,424,688	1,262,100	52.0
Standard, Okla.	1,449,716	718,264	50.3	316,832	558,294	281,654	308,663	171,473	582,759	265,137	1,132,884	652,344	57.5	114,183	1,018,701	596,476	58.5
Star	3,649,389	1,859,046	50.8	694,101	1,568,649	883,475	775,547	392,361	1,305,193	583,210	2,955,288	1,725,598	57.4	1,597,262	1,358,026	758,808	55.9
State F,. & C., Fla	290,533	156,422	53.7	58,722	88,106	58,211	68,887	38,053	133,540	60,158	231,811	102,186	44.2	3,303	228,508	100,225	43.8
State of Pa.	825,117	419,368	50.8	140,675	26,750	11,012	7,904	9,057	790,463	399,299	684,442	348,150	50.1	21,435	663,007	314,011	47.3
Suburban Cas., Ill.	1,402,268	625,478	44.6	77,718	565,710	263,715	327,173	163,924	509,385	197,839	1,324,550	633,545	48.0	194,243	1,130,307	489,100	43.3
Sun Indem.	2,815,581	1,346,091	47.9	4,821	1,702,970	843,343	793,834	366,510	318,777	136,238	2,810,760	1,576,538	55.9	136,313	2,674,447	1,494,675	55.8
Superior, Tex.	4,728,215	2,191,964	46.3	507,112	1,662,934	897,482	983,659	336,540	2,081,622	957,942	4,221,103	2,013,360	48.0	505,194	3,715,909	1,846,190	49.7
Swiss Reins.	2,077,614	996,521	48.0	366,735	1,019,805	615,536	266,668	64,294	791,141	316,691	1,710,879	964,057	56.5	—731,552	2,442,431	1,653,915	67.6
Switz. Gen'l.	7,750	1,834	23.6	—3,854	....	....	5,169	1,174	2,581	660	11,604	7,599	64.5	—6,372	17,976	7,340	40.8
Texas Cas.	825,170	398,048	48.2	119,150	285,029	173,412	189,315	59,820	350,826	164,816	706,020	390,892	55.2	429,497	276,523	117,400	42.5
Textile, N. C.	589,243	347,973	59.0	140,354	281,190	161,379	159,098	105,359	148,955	81,235	448,889	282,699	63.3	85,149	363,740	262,371	72.1
Thames & Mer.	1,020,419	519,378	50.8	291,219	448,185	250,479	221,585	111,645	350,649	157,254	729,200	425,247	58.3	330,885	398,315	221,005	55.4
Traders & Gen.	5,193,314	2,584,761	49.9	178,308	1,914,095	1,054,622	1,178,447	595,069	2,100,772	935,070	5,371,622	2,978,578	55.4	36,225	5,335,397	2,794,298	52.4
Transcont.	1,067,482	546,615	51.2	201,907	320,666	170,191	172,086	103,897	574,730	272,527	865,575	501,869	58.0	153,649	711,926	400,137	56.2
Transit Cas.	3,582,557	2,084,830	58.1	493,529	2,920,664	1,803,190	572,692	236,330	89,201	45,310	4,076,086	2,762,148	67.6	325,666	3,750,420	2,657,626	70.7
Transport, Dallas	1,576,532	912,127	57.9	245,680	1,054,324	601,599	475,574	278,837	46,634	31,691	1,330,752	854,946	64.0	884,505	446,247	284,254	63.7
Transport Indem.	5,404,443	2,273,253	41.9	528,968	3,202,523	1,320,039	1,682,382	597,349	519,538	355,865	4,875,475	2,773,466	58.9	—37,471	4,912,946	2,684,923	54.7
Trans. Pacific‡‡	177,471	79,815	44.8	....	73,560	29,424	56,708	22,710	47,203	27,681	....	....	....	....	....	....	....
Travelers	**73,694,913**	**43,051,007**	**58.5**	**13,942,822**	**73,694,913**	**43,051,007**	....	....	....	....	59,752,091	40,214,225	67.3	12,727,202	47,024,889	30,512,952	64.8
Travelers Indem.	82,779,874	39,686,119	47.9	14,925,867	10,158,051	6,396,762	41,893,043	19,396,735	30,728,780	13,892,622	67,854,007	37,041,577	54.5	11,294,505	56,559,502	32,222,252	57.0
Trinity Universal	8,423,681	3,531,656	42.0	242,077	3,121,635	1,458,477	1,801,577	786,991	3,500,469	1,286,188	8,181,604	3,576,248	43.6	—852,767	9,034,371	4,132,341	45.8
Tri-State	3,091,712	1,557,687	50.4	569,481	1,134,902	666,994	733,056	303,838	1,223,754	586,855	2,522,231	1,268,209	49.6	430,390	2,091,841	933,039	44.6
Union, Eng.	359,069	155,901	43.2	34,635	....	....	3,264	1,864	355,805	154,037	324,434	145,151	44.7	29,894	294,540	136,571	46.3
Unit. Ben. Fire, Neb.	1,927,354	1,318,123	68.1	894,255	820,796	644,976	469,453	274,038	639,105	399,109	1,035,099	698,921	67.5	768,477	266,622	112,742	42.4
United F. & C., Ia.	1,738,602	797,350	46.0	302,987	580,522	312,299	484,139	194,998	673,941	290,040	1,435,615	654,193	45.5	251,075	1,184,540	529,386	44.7
United Nat'l. Ind.	1,067,482	546,615	51.4	201,907	320,666	170,191	172,086	103,897	574,730	272,527	865,575	501,869	58.0	153,649	711,926	400,137	56.2
United Pacific	8,104,706	3,133,399	38.6	490,474	3,304,543	1,201,740	2,071,766	922,558	2,728,397	1,009,101	7,614,232	4,295,606	56.2	821,537	6,792,695	3,431,152	50.5
U. S. Cas.	12,731,505	7,593,324	59.4	1,265,191	7,572,865	4,870,516	3,712,860	2,012,439	1,445,780	710,369	11,466,314	7,005,660	61.3	2,227,418	9,238,896	5,775,228	62.6
U. S. Fire	4,090,776	1,902,360	46.4	1,127,991	584,911	326,646	291,959	178,937	3,213,906	1,396,777	2,962,785	1,445,707	48.6	126,289	2,836,496	1,337,136	47.2
U. S. F. & G.	82,172,095	42,569,301	51.9	10,137,291	38,238,992	21,223,035	20,599,981	10,982,105	23,333,122	10,364,301	72,034,804	42,589,101	59.0	27,368,970	44,665,834	30,534,204	68.2
U. S. Guarantee	Merged with Federal										5,244,279	2,677,679	51.0	—194,840	5,439,119	2,805,812	51.5
U.S. Trust&Guar. Tex.	2,555,703	1,384,500	54.2	1,185,433	763,945	207,414	484,514	199,698	1,307,244	917,388	1,370,270	805,847	58.7	840,051	530,219	338,915	63.8
Universal Indem.	686,575	274,556	39.9	117,407	464,306	188,974	222,269	85,382	....	....	569,168	341,396	61.0	167,819	401,349	182,026	45.4
Universal Und.	4,076,570	2,125,236	52.7	919,120	1,088,814	610,077	530,522	279,769	2,457,234	1,235,390	3,044,356	1,819,780	59.5	1,914,688	1,279,668	751,890	58.7
Utilities	923,755	387,546	41.8	120,825	605,509	253,191	318,246	134,355	....	....	802,930	383,891	47.7	73,511	729,419	374,166	51.3
Vernon Cas.	1,538,221	955,884	62.1	252,023	458,541	279,692	400,930	218,791	678,750	457,401	1,286,198	662,975	51.7	—707,892	1,994,090	1,296,649	65.0
Vigilant	1,191,933	587,029	49.4	215,092	328,558	166,115	149,313	79,532	714,062	341,382	976,841	503,744	51.5	157,698	819,142	440,429	53.3
Va. F. & M.	1,098,342	557,190	46.8	114,680	448,186	253,880	221,585	112,446	428,571	190,864	983,662	570,165	58.0	334,918	648,744	353,559	54.5

	1953 Total Earned Prems. $	1953 Total Incurred Losses $	1953 Total Loss Ratio %	1953 Total Inc. or Dec. in Prems. $	1953 Liability Earned Prems. $	1953 Liability Incurred Losses $	1953 Property Damage Earned Prems. $	1953 Property Damage Incurred Losses $	1953 Phys. Damage Earned Prems. $	1953 Phys. Damage Incurred Losses $	1952 Total Earned Prems. $	1952 Total Incurred Losses $	1952 Total Loss Ratio %	1952 Total Inc. or Dec. in Prems. $	1951 Total Earned Prems. $	1951 Total Incurred Losses $	1951 Total Loss Ratio %
Virginia Sur.	1,604,938	931,689	58.0	96,932	1,055,143	654,039	488,980	262,048	60,815	15,602	1,508,006	815,835	57.4	248,882	1,259,124	682,842	54.2
West American	1,560,871	663,085	42.5	222,335	668,500	268,101	362,604	163,048	529,767	231,936	1,338,536	891,444	67.0	327,020	1,011,516	564,613	55.8
Westchester	2,253,490	1,033,965	45.7	616,500	316,683	176,630	157,759	97,456	1,779,048	759,879	1,636,990	797,366	48.3	70,704	1,566,286	729,061	46.6
Western Assur.	396,365	181,176	45.6	93,167	49,526	26,665	24,933	15,511	321,906	139,000	303,198	143,926	47.1	16,084	287,114	132,860	46.2
West. Cas. & Sur.	10,619,870	5,838,360	54.8	1,133,059	6,557,766	3,782,180	4,062,104	2,056,180	....	....	9,486,811	5,284,970	56.3	1,619,622	7,867,189	4,611,420	58.7
West. Nat.	1,284,370	562,168	43.7	—88,132	2,694	915	769	....	1,283,907	561,253	1,372,502	630,732	46.0	172,616	1,199,886	601,619	50.1
Western Pacific	312,986	165,997	52.9	....	119,419	71,796	87,906	41,441	105,661	52,760	....	....	......	....	....	....	......
Western Pioneer, Cal.	857,850	289,948	33.7	94,367	354,397	145,597	220,795	59,032	282,658	85,319	763,483	408,631	53.5	329,275	434,208	235,087	54.1
Wolverine	6,867,701	3,518,889	51.2	902,885	2,099,003	1,235,513	1,655,765	856,203	3,112,933	1,427,173	5,964,816	2,824,168	47.3	1,269,848	4,694,968	2,218,440	47.2
World F. & M.	1,710,829	925,203	54.0	11,246	647,434	415,732	312,243	150,348	751,152	359,123	1,722,075	934,388	54.2	703,131	1,018,944	511,745	50.1
Yorkshire§	3,669,769	1,928,755	52.1	528,423	1,927,541	1,041,964	977,742	544,718	784,486	342,073	3,161,346	1,710,586	54.1	729,103	2,432,243	1,298,313	53.1
Zenith Nat., Cal.	....	8,341	......	—89,387	....	396	....	7,945	....	....	89,387	59,248	66.0	34,412	54,975	41,207	75.0
Zurich	20,864,100	11,243,179	53.9	687,870	12,498,267	7,328,545	6,394,600	3,183,866	1,971,233	730,768	20,176,230	13,803,469	68.6	3,186,230	16,990,000	12,058,485	71.0
Totals	2,100,653,465	1,059,113,872	50.3	298,256,594	1,007,520,036	539,608,733	519,993,644	255,177,105	571,739,869	263,730,779	1,799,314,785	1,007,671,899	55.8	288,709,711	1,507,667,090	880,806,224	58.4

•Formerly Standard Casualty. ••Formerly Economy Auto. †Formerly Emmco Casualty. ††Formerly Liberty Lloyds, San Antonio. ‡Formerly Ohio Valley Auto. ‡‡Formerly Commercial Benefit. §Merger of Yorkshire of England and Yorkshire Indemnity.

Increase in premiums is for companies shown in above table this year. Totals for 1952 and 1951 are for companies in the tables those years.

1953 Experience Given of RECIPROCAL FULL COVER Insurers

	1953 Total Earned Prems. $	1953 Total Incurred Losses $	1953 Total Loss Ratio %	1953 Total Inc. or Dec. in Prems. $	1953 Liability Earned Prems. $	1953 Liability Incurred Losses $	1953 Property Damage Earned Prems. $	1953 Property Damage Incurred Losses $	1953 Phys. Damage Earned Prems. $	1953 Phys. Damage Incurred Losses $	1952 Total Earned Prems. $	1952 Total Incurred Losses $	1952 Total Loss Ratio %	1952 Total Inc. or Dec. in Prems. $	1951 Total Earned Prems. $	1951 Total Incurred Losses $	1951 Total Loss Ratio %
Amer. Ex., Neb.	225,578	90,754	40.4	14,685	71,168	31,178	62,219	26,154	92,191	33,422	210,893	40,543	19.3	7,108	203,785	88,566	43.5
Auto Club, Mo.	4,542,923	1,805,178	39.7	642,388	2,110,438	899,095	800,385	334,885	1,632,100	571,198	3,900,535	1,833,804	47.0	649,666	3,250,869	1,532,282	47.2
Auto Club, So. Cal.	17,976,087	7,048,969	39.3	2,875,498	....	....	5,279,102	1,977,920	12,696,985	5,071,049	15,100,589	7,092,319	47.0	2,184,818	12,915,771	5,653,049	43.7
Cal. Cas. Ind. Ex.	2,583,633	875,885	33.9	637,282	1,121,681	404,121	517,587	173,310	944,365	298,454	1,946,351	1,059,536	54.1	550,511	1,396,840	659,759	47.1
Cal. State Auto	15,968,824	6,613,458	40.9	2,658,288	7,025,012	3,230,084	3,118,686	1,238,818	5,825,126	2,144,556	13,310,536	6,977,792	51.5	2,192,452	11,118,084	5,765,029	51.8
Cas. Rec. Ex., Mo.	3,844,680	1,984,905	51.5	401,238	2,002,657	1,177,115	986,140	477,859	855,883	329,931	3,443,442	1,896,628	55.0	198,365	3,245,077	1,866,026	57.4
Chicago Motor Club	9,389,550	4,966,131	52.9	411,548	3,487,857	2,140,872	1,665,981	863,712	4,235,712	1,961,360	8,978,002	4,874,928	54.2	—30,765	9,008,767	5,611,247	62.3
Consolidated Unds.	3,125,740	1,408,198	44.8	253,602	1,366,080	691,465	613,059	265,601	1,146,601	444,883	2,872,138	1,278,990	44.3	487,309	2,384,829	1,295,258	54.3
Detroit Auto Club	26,782,031	15,974,176	59.5	4,253,296	6,977,354	3,750,283	4,471,792	3,810,206	15,332,844	8,413,684	22,527,735	12,154,894	53.8	2,187,058	20,340,677	11,322,140	55.7
Erie Exch.	5,035,552	2,438,952	48.3	817,508	1,868,451	918,643	1,337,724	726,097	1,829,377	794,212	4,218,044	2,291,115	54.4	941,984	3,276,060	1,706,773	52.0
Exchange Assn., Ill.	1,533,393	667,976	43.6	132,970	940,243	398,204	476,055	211,691	117,095	58,081	1,400,423	705,089	50.3	766,968	633,455	358,424	56.6
Farmers Auto, Ill.	3,363,788	1,879,140	55.6	444,694	1,116,938	650,738	642,510	381,869	1,604,340	846,533	2,919,094	1,651,332	56.6	793,164	2,125,930	1,422,198	66.8
Farmers Exch., Cal.	82,202,122	42,106,817	51.2	10,998,656	30,218,986	17,061,450	17,280,515	8,525,703	34,702,621	16,519,664	71,203,466	40,170,530	56.3	12,541,870	58,661,596	34,072,800	58.1
Highway Unds., Tex.	1,442,752	812,529	56.4	118,874	952,743	457,018	379,161	254,376	110,848	101,135	1,323,878	655,916	49.5	136,403	1,187,475	875,750	73.8
Intl. Ind. Ex., Mo.	769,693	116,985	15.1	196,079	127,704	60,420	64,145	15,475	577,844	41,090	573,614	331,619	55.4	—68,237	641,851	334,504	52.2
Mfrs. & Whol., Colo.	993,078	461,836	46.4	72,566	371,647	124,291	239,845	130,647	381,586	206,898	920,512	410,895	44.6	131,619	788,893	328,462	41.6
Mayflower, Wash.	1,858,843	1,101,226	59.4	488,031	652,304	381,946	471,926	328,174	734,613	391,106	1,370,812	897,004	65.5	392,349	978,463	590,714	61.4
Motor Club, Neb.	457,133	168,839	36.7	62,254	129,907	46,908	98,184	42,067	229,042	79,864	394,879	155,990	39.2	66,721	328,158	138,886	42.2
Natl. Unds., Mo.	40,627	21,479	52.7	—25,677	12,044	7,361	10,273	6,018	18,310	8,100	66,304	53,712	81.0	—74,002	140,306	127,840	91.0
Old Line Auto, Ind.	286,789	160,059	55.9	99,096	87,857	54,438	80,106	28,503	118,826	77,118	187,693	80,715	43.2	36.683	151,030	75,519	50.1
Prairie St. Fmrs., Ill.	331,202	176,620	53.2	40,489	118,525	57,395	70,247	42,568	142,430	76,657	290,713	151,059	52.0	55,174	235,539	111,034	47.1
Preferred Exch., Wash.	957,542	498,021	52.1	92,447	326,334	215,508	277,682	135,307	370,316	147,206	865,095	510,876	58.9	49,992	815,103	494,635	60.7
Rural Auto, Ill.	88,348	69,996	79.1	—11,605	6,926	8,768	2,772	3,635	78,650	57,593	99,953	75,424	75.4	—106,243	206,196	125,304	60.8
State Auto, Ind.	11,524,540	7,366,532	64.0	1,397,686	3,931,613	2,785,605	3,036,494	2,092,315	4,556,433	2,488,612	10,126,854	6,524,296	64.5	1,038,415	9,088,439	5,688,073	62.6
State Auto, Iowa	6,619,424	3,068,901	46.2	771,969	2,616,396	1,218,393	1,674,180	751,460	2,328,848	1,099,048	5,847,455	2,984,507	51.0	872,561	4,974,894	2,548,864	51.2
Truck Ex., Cal.	15,611,625	7,851,070	50.4	1,266,474	6,468,606	3,805,848	3,910,153	2,059,217	5,232,872	1,986,005	14,355,151	7,964,553	55.7	1,710,882	12,644,269	8,682,038	68.7
Union Auto, Ill.	2,679,700	1,222,590	45.7	257,623	925,497	439,899	610,795	322,310	1,143,408	460,381	2,422,077	1,226,588	50.3	268,927	2,153,150	954,878	44.3
United, Colo.	272,617	150,891	55.1	10,208	52,413	26,940	42,216	38,768	177,988	85,183	262,409	130,384	49.6	17,277	145,132	85,162	58.6
United Services, Tex.	14,940,311	6,377,680	42.8	4,208,382	4,769,317	1,766,080	2,514,903	1,269,922	7,656,091	3,341,678	10,731,929	3,948,879	36.8	2,185,866	8,546,063	3,221,552	37.7
U. S. Ins., Waco, Tex.	799,120	419,279	52.4	344,466	295,789	136,125	204,822	105,955	278,509	177,199	454,654	298,031	65.5	347,030	107,624	62,808	58.4
Total	236,247,305	117,904,972	49.5	33,931,015	80,152,487	42,946,191	50,939,654	26,640,978	105,171,854	48,311,900	202,326,000	108,427,948	53.4	30,531,905	172,172,515	96,143,286	55.8

MUTUAL FIRE Companies Results on Automobile in 1953 Are Detailed

	1953 Earned Prems. $	1953 Incurred Losses $	1953 Loss Ratio %	1953 Incr. or Dec. in Prems. $	1952 Earned Prems. $	1952 Incurred Losses $	1952 Loss Ratio %	1952 Incr. or Dec. in Prems. $
Abington, Mass.	264,503	105,999	39.8	33,676	230,827	103,386	44.9	30,312
Agricul. Wkrs, Tex.	149,706	38,652	25.8	36,133	113,573	28,409	25.2	28,559
Am. Mfrs., N. Y.	2,089,056	615,125	29.6	63,290	2,025,766	680,777	33.2	562,174
Am. M. F., S. C.	288,733	142,989	49.2	87,145	201,588	81,566	40.5	76,121
Amer. Mut. Re.	3,752	2,793	74.4	—24,327	28,079	50,147	28.4	—50,475
Assoc. Mer., Mass.	Not available				572	—19	33.2	—981
Atlantic, Ga.	104,401	33,685	32.3	—12,906	117,307	38,902	32.2	—260
Attleboro, Mass.	55,723	18,178	32.5	9,915	45,808	19,390	42.2	4,431
Auto. Mut., Mo.	111,371	52,458	47.2	58,934	52,437	20,905	39.8	—23,862
Auto Mut., R. I.	1,511,525	430,572	28.5	80,953	1,433,244	336,957	23.5	41,191
Bankers, D. C.	523,376	180,139	34.5	—21,404	544,780	355,812	65.1	57,882
Bankers, Pa.	593,877	265,845	44.2	—121,744	715,621	330,840	46.1	174,178
Berkshire, Mass.	956,182	380,816	39.7	105,569	850,613	351,414	41.3	92,404
Burlington, Vt.	85,669	29,666	34.6	114	85,555	31,369	36.6	—209
Cambridge, Mass.	495,941	204,271	41.2	36,584	459,357	198,944	43.5	30,777
Canton Coop.	Not available				39,137	20,934	53.5	....
Capitol, Pa.	1,164,508	663,875	57.1	—132,483	1,296,991	634,866	49.0	448,939
Carolina Mut.	179,551	104,451	58.1	47,963	131,588	61,784	47.1	42,119
Carpenter, Pa.	121,264	44,819	36.4	—10,891	132,155	46,473	35.0	7,675
Catskill, N. Y.	Not available				41,670	20,453	49.1	—2,459
Central, Mut., O.	3,566,948	1,188,604	33.2	60,840	3,506,108	1,445,907	41.2	268,404
Citiz. Fd., Minn.	24,079	16,641	69.2	—652	24,731	15,801	64.0	—25,715
Coastline, Md.	173,125	137,807	79.2	102,845	70,280	34,146	47.5	52,479
Consumers, Minn.	27,253	16,723	61.4	—37,533	64,786	53,211	82.3	54,415
Cosmopolitan, N. Y.	42,353	17,931	42.3	—2,260	44,613	22,430	50.0	—5,458
Donegal, Pa.	179,259	72,104	40.3	19,091	160,168	54,481	33.9	26,129
Dorchester, Mass.	91,661	25,232	27.5	6,410	85,251	38,091	44.6	9,281
Druggists, Ia.	19,628	6,343	32.4	811	18,817	6,160	32.7	1,075
Empl., Wis.	2,805,403	1,124,237	43.5	150,685	2,654,718	1,113,891	41.7	180,131
Fmrs. Alli., Kan.	16,073	6,265	39.2	8,567	7,506	1,527	20.3	1,397
Farm Bur. Fire, O.	6,157,484	3,575,926	58.0	970,960	5,186,524	2,833,102	55.2	522,245
Fmrs. Union, Colo.	80,080	33,923	42.4	12,472	67,608	38,188	56.4	14,115
Federal, Mass.	462,968	171,214	36.8	—6,852	469,820	183,634	39.1	16,189
Fitchburg, Mass.	281,555	104,067	37.0	20,811	260,744	85,490	32.9	23,693
Globe Mut., Ohio	105,292	59,288	56.4	53,374	51,918	29,183	56.0	—1,386
Grangers, Md.	185,003	97,769	52.8	47,346	137,657	64,783	47.2	....
Granite, Pa.	105,385	49,750	47.3	24,643	80,742	38,240	47.3	—196
Granite, Vt.	90,366	36,013	39.8	6,715	83,651	30,586	36.5	5,975
Grt. Lakes, Wis.	95,233	47,134	49.5	10,556	84,677	36,352	42.8	—10,096
Green Mtn., Vt.	45,188	20,063	44.4	1,699	43,489	26,094	60.0	—7,358
Hdwe. Dl., Wis.	1,472,454	372,744	25.4	336,298	1,136,156	419,324	37.0	254,712
Hardware, N. C.	14,945	896	6.0	4,962	9,983	2,848	28.4	6,149
Holyoke, Mass.	1,660,295	639,996	38.4	182,249	1,478,046	537,402	36.5	171,246
Home, N. Y.	114,823	72,858	63.8	13,334	101,489	48,037	46.1	—419
Impl. Dl., N. D.	540,665	255,019	48.2	85,685	454,982	220,834	48.5	101,911
Lititz Mut., Pa.	991	282	28.4	—226	1,217	39	32.2	—5,094
Lowell, Mass.	104,633	36,785	35.2	6,524	98,109	43,394	44.2	—6,342
Lumber, Mass.	340,758	125,598	36.8	81,203	259,555	102,959	39.4	49,643
Lumbermen's, O.	1,442,711	565,548	39.2	298,544	1,144,167	454,106	39.8	81,437
Lynn, Mass.	519,491	196,873	37.8	57,095	462,396	170,753	36.8	53,624
Mfrs. & Mer., N. H.	258,841	79,235	30.8	25,395	233,446	82,566	35.4	19,959
Mer. & Bs. Mn., Pa.	27,412	5,627	20.5	5,479	21,933	3,968	18.1	7,033
Mer. & Far., Mass.	122,906	58,967	48.2	18,261	104,645	27,350	26.1	8,839

	1953 Earned Prems. $	1953 Incurred Losses $	1953 Loss Ratio %	1953 Incr. or Dec. in Prems. $	1952 Earned Prems. $	1952 Incurred Losses $	1952 Loss Ratio %	1952 Incr. or Dec. in Prems. $
Mer. & Mfrs., O.	164,532	88,356	53.8	90,652	73,880	35,927	48.0	14,437
Merrimack	1,487,823	612,815	41.4	109,750	1,378,073	596,831	43.5	92,334
Middlesex, Mass.	1,974,068	748,120	38.0	216,962	1,757,106	648,861	37.0	203,770
Midwest Am.	248,328	138,115	55.6	40,038	208,290	82,164	39.5	28,397
Millers, Pa.	182	127	69.8	—298	480	144	30.1	51
Mount Joy, Pa.	1,569	15	1.0	—280	1,849	496	27.3	....
Mut. Auto, Pa.	3,595,714	1,569,048	43.5	629,574	2,966,140	1,317,914	44.3	549,947
Mut. Fire, Me.	76,515	29,239	38.2	6,567	69,948	22,826	32.7	—40,147
Natl. Assur., Pa.	646,860	317,288	49.0	—51,819	698,679	333,422	47.8	154,492
Nat. Church, Ill.	293	....	......	—397	690	36	52.1	—330
Nat. Guild, Md.	203,541	98,345	48.4	7,964	195,577	103,594	52.8	36,991
Nat. Mut., Ohio	130	....	......	—61	191	....	......	69
Neb. Hardware	1,700	215	12.6	—1,341	3,041	1,485	48.8	—1,173
New Castle, Del.	56,122	18,850	33.4	5,469	50,653	18,519	36.5	9,422
N. Y. Cent.	376,385	142,880	37.8	3,258	373,127	136,889	36.4	—23,196
Norfolk & Dedham	923,509	410,176	43.4	133,803	789,706	298,253	37.7	129,897
N. W. Mut. Fire	116,498	35,565	30.8	5,128	111,370	32,429	29.2	—42,696
Ohio Hardware	63,255	44,294	70.0	2,845	60,410	37,433	61.9	9,832
Olive Coop., N. Y.	17,840	7,813	43.9	—4,185	22,025	16,727	76.0	2,434
Oneida, N. Y.	38,095	27,648	72.6	—9,985	48,080	44,199	70.0	....
Oregon	350,540	137,009	39.2	69,086	281,454	111,818	39.5	55,679
Otsego, N. Y.	79,833	23,751	29.7	3,889	75,944	28,900	38.1	—601
Paramount, Md.	68,304	38,211	55.9	10,961	57,343	29,663	51.6	11,954
Pawtucket, R. I.	1,433,589	550,631	38.5	129,945	1,303,644	533,157	40.0	104,461
Pa. Lumbermens	82,778	41,647	50.3	—3,527	86,305	37,785	43.7	—13,237
Pa. Millers	7,620	2,141	28.1	4,316	3,304	693	21.0	389
Pa. Thresh.	1,620,706	864,459	53.4	375,345	1,245,361	638,577	51.4	199,783
Phenix, N. H.	172,561	52,824	30.7	16,930	155,631	55,044	35.2	13,306
Pilgrim, Ia.	315	....	......	194	121	....	......	—1,230
Pion. Coop., N. Y.	88,614	30,263	34.1	12,183	76,431	27,231	35.6	1,407
Pref., N. Y.	545,633	192,191	35.2	97,420	448,213	203,350	46.0	91,052
Prot. M. C., Mo.	2,062,269	1,173,710	56.7	244,097	1,818,172	1,135,395	62.5	—262,231
Quincy, Mass.	1,226,450	461,420	37.8	168,654	1,057,796	442,900	41.2	....
Safeguard, Pa.	130,251	77,685	59.6	—96,111	226,362	59,844	26.5	168,209
St. Marys, Pa.	48,053	31,068	64.6	—6,153	54,206	42,695	79.7	—8,460
Salem, Mass.	121,467	51,031	42.2	—26,911	148,378	75,845	51.1	—66,169
Security, N. Y.	35,003	19,648	56.2	2,109	32,894	15,118	46.0	3,048
Select Risk, Pa.	32,972	11,180	33.7	562	32,410	8,576	26.8	—82,709
State Mut., Vt.	18,067	6,492	36.0	1,088	16,979	6,802	40.1	345
Sterling, N. Y.	230,517	132,751	57.4	67,209	163,308	95,270	57.4	—8,629
Tomp. Coop., N. Y.	95,107	33,303	35.1	16,416	78,691	29,814	37.8	8,948
Trdrs. & Mechs., Mass.	563,500	204,515	36.2	—155,103	718,603	337,968	46.8	—45,297
Union Mut., Pa.	40,112	22,921	57.1	8,042	32,070	18,187	56.6	—9,892
Union Mut., R. I.	12	....	......	—11	23	14	60.8	—662
Union Mut., Vt.	276,808	114,256	41.4	34,854	241,954	96,436	40.0	24,414
Utica Fire	218,362	103,034	47.3	61,153	157,209	77,872	49.0	97,577
Utilities Mut. N. Y.	2,487,867	1,206,342	48.4	....	....	....	......	....
Valley Forge, Pa.	172,222	49,676	28.9	—16,243	188,465	....	......	22,642
Vermont Mut.	626,030	431,214	68.8	291,651	334,379	228,512	68.1	97,662
Wash., Pa.	4,779	601	12.6	....	....	....	......	....
Woodstock, N. Y.	155	—364	......	—78	233	5	21.5	—2,088
Worcester, Mass.	1,501,783	628,833	41.8	122,724	1,379,059	499,130	36.4	100,849
Totals	54,291,036	23,513,087	43.4	5,420,187	47,710,646	20,740,728	43.4	5,162,547

State Farm Paces Mutuals' Gains With Record $42 Million Increase

Premiums of mutual companies writing full coverage automobile and those writing physical damage only totaled $961,744,049 in 1953, an increase of $176,796,494, compared with $116,654,201 the preceding year. Losses incurred were $495,639,122, producing a loss ratio of 51.5%, a definite improvement as compared with 54.2% in 1952.

State Farm Mutual Automobile of Bloomington, Ill., completed its 12th year as the No. 1 automobile insurer in the United States, having earned premiums (including membership fees) of $175,186,182, a 32.2% gain. The second running company, Allstate of Chicago, is $44 million behind.

State Farm set another record last year, becoming the first company ever to pass $175 million in premiums. As a part of the year's gains, State Farm added more than 550,000 automobile policyholders to its books, and at the end of the year total automobile policies in force numbered 2,965,000, and early this year the 3 million mark was passed. The company estimates it is now insuring an average of one out of every 14 cars in the 41 states in which it operates.

When State Farm became the leader in premiums in 1942, it was insuring 840,000 cars. Its gain since then approximates 2,125,000 automobiles.

Second company among the mutuals is Farm Bureau Mutual Automobile of Ohio, which crossed the $100 million mark in premiums on a gain of 31%. Incidentally, this year there are four companies writing $100 million or more—State Farm, Allstate, General Exchange and Farm Bureau, in that order.

Nationwide
Amer Family
Merch Mut NY

TEN LEADING MUTUAL COMPANIES

	1953 Earned Prems. $	1952 Earned Prems. $	% of Incr.	1951 Earned Prems. $	1950 Earned Prems. $	1949 Net Prems. $
1. State Farm, Ill.	175,186,182	132,599,140	32.2	108,970,039	95,510,851	86,098,324
2. Farm Bureau, Ohio	101,140,861	77,179,420	31.0	60,987,793	50,620,243	39,797,174
3. Liberty Mutual	66,724,374	54,758,708	19.9	45,333,926	38,781,261	36,587,618
4. Lumb. Mut. Cas.	66,487,496	63,201,367	5.2	56,331,684	50,077,298	48,436,904
5. Hardware, Wis.	32,161,721	27,015,329	19.1	23,795,957	21,490,871	18,567,422
6. State Auto, Ohio	18,973,528	15,859,477	19.7	13,687,111	12,724,838	12,560,721
7. Mich. Mut. Liab.	17,713,171	15,787,204	12.2	13,323,497	11,147,830	10,329,901
8. Farmers Auto, Wis.	17,282,880	13,095,554	32.1	11,234,044	9,893,501	8,960,871
9. Utica Mutual	16,032,834	12,954,050	23.8	10,422,079	9,357,571	9,225,523
10. Auto-Owners, Mich.	15,191,799	12,381,223	22.8	10,818,655	9,102,018	8,945,706

Liberty Mutual boosted its premiums from $54 million in 1952 to $66,724,374 last year, a gain of nearly 20%, and it takes over third place from Lumbermens Mutual Casualty of Chicago. Lumbermens had a gain of $3.2 million and now totals $66,487,496. Continuing in fifth place is Hardware Mutual of Stevens Point, Wis., which also had a good sized gain, 19%, and has premiums of $22 million. State Auto of Columbus is the No. 6 mutual company, with premiums of $18,973,582. In 1952, State Auto was less than $100,000 ahead of Michigan Mutual Liability, but Michigan Mutual had a gain of 12% as contrasted with State Auto's 19%, and continues in seventh place on a volume of $17,713,171.

Farmers Auto of Wisconsin takes over the No. 8 position replacing Country Mutual Casualty, which is not among the Big 10 this year. Country Mutual increased its writings only $1 million, which was not up to the pace of the last three companies on the list, all of which did better than 20%. Utica Mutual moves up a notch to ninth on a 23.8% gain, and has premiums of $16,032,834. In last place is Auto-Owners of Lansing, which returns to the leaders' table this year on a 22.8% gain with total premiums of $151,191,799.

State Farm matched the excellence of its growth figures in its underwriting results. The company's automobile business returned an underwriting gain of $9,799,000 in 1953, while net income from investments was $5,479,000. After federal taxes of $2,053,000 and other items, more than $11,464,000 was added to surplus.

At year end State Farm Mutual had assets of $240,174,000 and surplus to policyholders of $81,807,000. The company had set aside $56,970,000 for losses, $18,084,000 for loss adjustment expenses, and $51,901,000 for unearned premiums. In addition, it had $11,940,000 in excess of liability loss reserves over case basis and a special reserve of $8,000,000.

Agency emphasis in State Farm continues to be on its multiple-line program of auto, life and fire insurance. State Farm Life reached $715 millions of insurance in force at year end, and was the largest life insurance company of its age in the United States. State Farm F. & C. wrote in excess of $10 millions of direct premiums.

Agents who met 1953 production goals in all three lines were honored at a convention in St. Petersburg, Fla., in April, 1954. There were 1,006 qualifiers this year, compared with 243 in 1950, 300 in 1951 and 549 in 1952.

The company's administrative and claim facilities continue to expand in keeping with growth in volume. Nine regional offices and 330 field claim offices are now in operation. New regional offices are now under construction in Birmingham, Alabama, Murfreesboro, Tennessee, and Santa Ana, Cal.

Major coverage development of the year was the adoption of extended medical payments insurance as a basic medical payments provision. State Farm was the only company to make the extended benefits "standard equipment" rather than an optional extra accessory, and did so not only as to new policies but also as to all medical payments policies on its books.

1953 Automobile Experience Given for MUTUAL FULL COVER Companies

	1953										1952				1951		
	Total				Liability		Property Damage		Phys. Damage		Total				Total		
	Earned Prems. $	Incurred Losses $	Loss Ratio %	Inc. or Dec. in Prems. $	Earned Prems. $	Incurred Losses $	Earned Prems. $	Incurred Losses $	Earned Prems. $	Incurred Losses $	Earned Prems. $	Incurred Losses $	Loss Ratio %	Inc. or Dec. in Prems. $	Earned Prems. $	Incurred Losses $	Loss Ratio %
Abbey Cas., D. C.	90,082	22,224	24.6	48,425	62,698	17,863	26,871	4,354	513	7	41,657	18,846	45.2	....	33,501	19,470	58.1
Ala. Farm Bur.	1,843,475	902,502	48.9	88,797	857,814	397,367	456,821	251,998	528,840	253,137	1,754,678	737,559	42.1	1,078,820	675,858	248,845	36.1
Alliance Mut. Cas.	2,058,623	975,179	47.3	399,559	611,631	351,252	415,092	172,651	1,031,900	451,276	1,659,064	933,389	56.8	417,196	1,241,868	542,319	47.5
Allied Am. Mut.	4,356,824	1,816,710	41.6	262,374	645,499	413,602	407,752	205,769	3,303,573	1,197,339	4,094,450	1,733,438	35.2	335,039	3,759,411	1,550,634	41.2
Allied Mut. Cas., Ia.	6,003,697	2,919,079	48.5	940,079	2,013,643	1,003,229	1,530,997	675,633	2,459,057	1,240,217	5,063,618	2,600,983	50.8	766,389	4,297,229	2,490,943	57.8
Allied Mutual, Mo.	823,667	376,064	45.8	178,534	296,064	154,131	182,515	93,984	345,088	127,949	645,133	346,133	53.7	146,787	498,346	203,773	41.5
Amal. Cas., D. C.	979,316	404,049	41.3	206,110	685,514	269,529	293,802	134,520	....	....	773,206	335,059	23.3	151,538	621,668	228,011	36.7
Amal. Mut. Auto, N.Y.	930,184	481,882	51.8	142,185	930,184	481,882	....	....	....	....	787,999	422,755	54.3	4,805	792,804	529,166	66.7
Am. Agricul. Ind.	1,963,754	1,345,254	68.4	661,425	1,819,146	51,240	144,608	1,291,314	....	2,700	1,302,329	1,502,653	115.0	703,566	598,763	790,276	132.0
Am. Farmers, Ia.	257,085	117,168	43.3	22,735	82,215	36,157	76,782	47,785	98,088	33,226	234,350	77,640	33.1	—136,355	247,163	97,995	39.6
American Mut., Ia.	226,671	106,349	47.0	10,423	52,611	25,440	59,372	34,846	114,688	46,063	216,248	128,116	59.2	—32,812	249,060	115,232	46.2
Am. Mut. Liab.	15,048,972	8,059,360	53.5	2,495,675	9,126,249	5,464,104	4,597,761	2,139,118	1,324,962	456,138	12,553,297	6,406,349	51.0	11,837,290	10,716,007	5,821,096	54.2
Armed Forces, Tex.	229,218	109,867	47.6	—16,192	172,717	87,971	27,453	16,707	29,048	5,189	245,410	127,810	52.0	—10,337	255,747	169,509	66.5
Atlantic Mut. N. Y.	3,640,876	1,351,052	37.5	733,407	2,162,489	825,043	742,227	298,263	736,160	227,746	2,907,469	1,399,974	47.9	613,988	2,293,481	1,029,439	44.9
Auto-Owners, Mich.	15,191,799	8,087,103	53.2	2,810,576	4,071,077	2,301,891	3,598,398	1,948,744	7,522,324	3,836,468	12,381,223	5,903,633	48.0	1,562,568	10,818,655	5,997,671	55.4
Badger State Cas.	873,273	402,151	46.1	181,470	425,594	212,133	213,075	93,790	234,624	96,228	691,803	318,552	46.0	150,426	541,311	251,377	46.5
Badger Mut., Wis.	583,330	293,119	50.3	125,651	275,534	149,947	148,927	61,843	158,869	81,329	457,679	227,587	48.6	141,864	315,815	202,282	64.2
Beacon Mut. Indem.	2,877,176	1,411,326	49.2	557,055	880,742	573,751	731,156	352,441	1,265,278	485,134	2,320,121	1,109,924	47.5	428,900	1,891,221	898,721	47.5
Cadillac, Detroit	234,654	95,476	40.6	98,589	93,091	29,396	78,169	30,571	63,394	35,509	136,065	37,275	27.2	27,931	108,134	27,352	25.3
Capital Mut., Neb.		Figures not available									417,901	206,479	62.3	47,730	370,171	150,509	40.6
Celina Mut., Ohio	4,832,345	2,235,851	46.1	801,641	1,436,401	646,788	1,339,293	695,801	2,056,651	893,262	4,030,704	2,143,970	52.6	658,604	3,372,100	1,558,248	46.2
Cent. Mut. Cas., Mo.	1,631,497	767,077	47.0	291,226	546,202	264,036	332,607	155,900	752,688	347,141	1,340,271	574,559	44.0	142,957	1,197,314	596,470	49.7
Central States, Ia.	580,557	289,120	49.8	11,779	172,040	67,787	155,008	85,679	253,509	135,654	568,778	321,215	56.5	102,876	465,902	271,450	58.2
Checker Mut. Mich.	467,445	338,539	72.4	27,463	197,531	129,403	121,106	82,674	148,808	126,462	439,982	321,398	73.3	—119,406	459,388	336,324	73.2
Cheese Makers, Wis.	547,967	324,276	59.2	131,352	322,548	212,577	183,151	82,328	42,268	29,371	416,615	233,590	56.0	107,991	308,624	150,891	48.8
Chicago Ice Prod.	175,324	47,881	27.2	24,770	84,832	12,508	51,770	27,825	38,722	7,548	150,554	67,757	25.2	24,918	125,636	63,412	50.5
Citizens, Mich.	11,925,827	6,960,896	58.4	1,806,355	3,209,051	1,673,981	2,777,738	1,629,586	5,939,038	3,657,329	10,119,472	5,907,177	58.4	1,700,482	8,418,990	4,969,715	59.1
Colonial Mut. Cas.		In receivership									283,970	258,292	88.3	61,029	222,941	131,973	59.2
Columbia Mut., D. C.	282,288	141,947	50.0	21,759	197,584	90,886	84,679	51,061	25	....	260,529	131,369	50.5	9,049	251,480	79,690	31.6
Commwl. Mut., Pa.	561,669	....	......	107,258	232,590	....	128,203	....	200,876	....	454,411	263,933	58.0	149,585	304,826	173,168	56.7
Cons. Mut., N. Y.	5,540	1,448	26.1	2,376	3,154	....	2,386	1,448	....	....	3,164	404	12.8	2,742	422	82	19.4
Cook Co. Farm, Ill.	226,710	64,813	28.7	42,799	61,942	21,465	37,706	11,801	127,062	31,547	183,911	155,160	84.8	5,161	178,750	130,355	73.0
Cosmopolitan M. C.	1,478,231	648,050	43.8	205,974	1,076,574	467,011	364,897	164,707	36,760	16,332	1,272,257	567,202	44.1	140,748	1,131,509	564,141	49.8
Cotton States Mutual	877,537	463,583	52.8	....	379,485	221,283	253,013	125,806	245,039	116,494	....	....	......	....	....	....	......
Country Mut. Cas.	14,559,719	9,234,124	63.4	1,068,843	3,473,231	2,654,428	2,298,062	1,540,489	8,788,426	5,039,207	13,490,876	8,862,760	68.0	1,673,669	11,817,207	8,168,627	69.0
Detroit Mut. Auto	1,058,752	661,938	62.9	216,995	236,898	78,648	229,760	130,854	522,095	452,436	841,757	405,866	48.1	627,099	214,658	116,154	54.1
Eastern Mut., Mass.	707,423	277,011	39.1	254,871	634,279	243,749	73,144	33,262	....	....	452,552	190,151	42.0	70,747	523,299	377,364	72.1
Elec. Mut. Liab.	358,439	108,706	30.2	57,923	219,714	58,762	138,725	49,944	....	....	300,516	121,904	40.4	61,785	238,731	93,441	39.1
Empire, N. Y.	7,002,383	3,582,651	51.2	2,501,058	5,492,267	3,120,948	1,477,798	457,946	32,318	3,763	4,501,325	3,204,700	71.0	....	....	....	......
Empire, Pa.	727,630	202,284	28.1	348,926	114,718	12,642	72,816	27,224	540,096	162,418	378,704	168,919	44.4	124,181	254,563	174,621	68.5
Empl. Mut. Cas., Ia.	13,660,254	6,541,160	47.8	2,040,283	5,447,081	2,624,211	3,418,790	1,793,218	4,794,383	2,123,731	11,619,971	5,860,972	50.5	1,615,363	10,004,608	5,718,412	57.1
Empl. Mut. Liab.	11,468,797	6,796,320	59.2	1,727,843	6,599,407	4,390,950	3,448,329	1,787,645	1,421,061	617,725	9,740,945	6,205,584	63.6	677,781	9,063,173	5,278,296	58.3
Equity Mut., Mo.	1,599,714	671,980	42.1	57,674	751,888	329,556	365,805	163,769	482,021	178,655	1,542,040	880,656	57.9	110,776	1,431,264	704,097	49.2
Ex. Mut. Ind., N. Y.	1,302,891	608,021	51.3	273,569	944,806	448,195	358,085	159,826	....	....	1,029,322	567,097	55.5	182,648	846,674	483,135	57.1
Fact. Mut. Liab.	12,785,706	3,884,905	30.1	2,284,947	6,845,354	2,293,130	3,175,812	932,591	2,764,540	659,184	10,500,759	4,308,024	41.8	1,752,603	8,748,156	3,713,256	42.4
Farm Bureau, Ind.	7,375,438	4,570,319	62.1	2,805,119	1,490,409	1,111,537	1,141,110	937,081	4,743,919	2,521,701	6,747,514	4,469,340	67.1	875,435	5,872,079	3,750,881	63.8
Farm Bureau, Kan.	5,872,248	3,473,933	59.1	794,893	1,610,703	942,298	704,499	438,122	3,557,146	2,093,513	5,077,355	3,332,179	65.7	824,967	4,252,388	2,723,673	64.0
Farm Bur. Mich.	1,841,877	1,008,202	54.6	504,163	550,865	229,456	230,642	193,078	1,060,370	585,668	1,337,714	727,790	55.3	214,930	1,122,784	601,022	53.5
Farm Bureau, Ohio	101,140,861*	58,340,533	57.4	23,961,441	41,217,180	28,092,770	25,302,872	14,280,612	34,620,809	15,967,151	77,179,420	43,714,885	58.8	11,843,836	62,537,543	35,629,075	57.0
Farm Bureau, Mo.	2,241,804	1,083,068	48.3	314,829	687,873	403,136	421,689	175,295	1,132,242	504,637	1,926,975	1,071,341	88.5	234,443	1,692,532	924,033	54.6

1953 Automobile Experience of Mutual Full Cover Companies Is Given

	1953 Total				1953 Liability		1953 Property Damage		1953 Phys. Damage		1952 Total				1951 Total		
	Earned Prems. $	Incurred Losses $	Loss Ratio %	Inc. or Dec. in Prems. $	Earned Prems. $	Incurred Losses $	Earned Prems. $	Incurred Losses $	Earned Prems. $	Incurred Losses $	Earned Prems. $	Incurred Losses $	Loss Ratio %	Inc. or Dec. in Prems. $	Earned Prems. $	Incurred Losses $	Loss Ratio %
Farm Bur., N. H.	815,038	286,610	35.2	117,536	310,235	100,072	203,520	86,893	301,277	99,645	697,502	318,588	45.3	106,769	590,733	290,586	49.2
Farmers Cas., Ia.	1,188,969	507,624	42.8	80,852	354,378	142,001	320,736	133,130	513,855	232,493	1,108,117	553,391	50.2	95,037	1,013,080	573,620	56.5
Farmers Elev., Ia.	104,795	45,132	43.4	28,322	23,745	20,761	31,569	9,237	49,481	15,134	76,473	20,145	26.4	9,258	67,215	15,787	23.4
Fmrs. Mut. Auto, Wis.	**17,282,880**	**9,839,566**	**56.9**	**4,187,326**	**8,078,830**	**4,550,381**	**2,993,496**	**2,062,353**	**6,210,554**	**3,226,832**	**13,095,554**	**6,907,979**	**53.0**	**1,821,510**	**11,274,044**	**6,201,291**	**55.2**
Farmers Mut. Hail, Ia.	3,226,094	1,316,837	40.7	354,644	1,073,198	365,161	818,485	346,261	1,334,411	605,415	2,871,450	2,207,164	78.0	935,062	1,936,388	1,270,706	65.6
Farmers Mut., Wash.	1,238,626	722,003	58.4	...	463,028	206,856	254,515	222,757	521,083	292,390	...	...	...	...	...	...	...
Fed. Mut. I. & H.	6,810,577	2,966,821	43.5	1,234,703	2,407,263	1,310,584	1,275,088	621,736	3,128,226	1,034,501	5,575,874	2,330,036	41.9	1,255,955	4,316,919	1,851,311	42.9
Fidelity Mut., Ind.	3,736,472	1,632,852	43.5	723,848	1,465,206	674,768	903,797	417,788	1,367,469	540,296	3,012,624	1,385,223	45.8	797,760	2,214,864	949,274	42.8
Frankenmuth, Mich.	2,043,984	1,503,962	73.4	288,120	419,162	306,550	505,046	356,643	1,119,776	840,769	1,755,864	1,108,014	62.7	117,967	1,637,897	1,046,978	63.9
General Mut., N. Y.	1,604,867	1,051,087	65.6	216,116	1,125,053	810,921	479,814	240,166	...	...	1,388,751	864,678	62.6	269,144	1,119,607	635,246	56.7
Goodville M. C., Pa.	449,630	221,068	49.3	23,565	258,466	83,914	191,164	137,154	...	...	426,065	206,959	48.3	51,351	374,714	148,034	39.5
Grain Dlrs., Ind.	2,918,125	1,376,803	47.2	839,625	860,118	377,370	552,364	310,338	1,505,643	689,095	2,078,500	815,618	13.4	739,681	1,338,819	513,912	38.3
Grange, Ohio	4,699,160	3,183,104	67.9	900,977	1,372,295	916,587	928,567	638,279	2,398,298	1,628,238	3,798,183	2,614,177	68.8	1,224,915	2,573,268	1,953,503	75.9
Guaranty, Colo.	330,302	144,604	43.6	133,149	4,303	1,899	4,501	1,971	321,498	140,734	197,153	81,232	41.1	112,976	84,177	48,052	57.2
Hardware, Minn.	9,579,997	4,097,948	42.6	1,792,036	4,240,958	1,998,203	2,156,265	977,311	3,182,774	1,122,434	7,787,961	3,613,667	46.5	1,565,847	6,222,114	2,799,086	44.8
Hardware, Wis.	32,161,721	14,837,218	46.1	5,146,392	15,485,793	7,931,404	7,814,635	3,566,818	8,861,293	3,338,996	27,015,329	13,782,255	50.8	3,219,372	23,795,957	12,368,601	51.9
Harford, Md.	412,619	222,560	53.8	7,417	79,796	41,649	48,570	30,479	284,253	150,432	405,202	263,979	65.0	128,531	279,671	132,978	47.5
Harleysville Mut.	8,649,669	4,245,098	49.1	1,042,976	5,371,314	2,434,959	3,278,355	1,810,139	...	...	7,606,693	3,780,949	49.7	1,364,003	6,242,690	3,231,950	51.7
Herman **Mut., Wis.**	**394,403**	248,280	63.0	260,660	143,237	79,065	61,387	52,872	192,784	116,343	133,748	85,821	64.5	...	...	...	...
Home Mut., Wis.	2,690,608	1,396,519	53.8	448,856	1,369,941	676,135	603,401	405,540	717,266	314,844	2,241,752	1,144,661	50.6	139,620	2,102,132	1,241,076	59.0
Horace Mann, Ill.	752,429	344,287	45.7	195,986	236,842	92,973	119,766	77,376	395,821	173,938	563,338	209,398	37.2	140,741	422,597	227,253	53.8
Ideal Mut., N. Y.	1,047,152	437,688	41.7	65,266	726,139	278,329	321,013	159,359	...	...	981,886	518,914	52.8	97,666	884,220	449,385	50.8
Ind. Farmers Mut.	8,646	1,333	15.3	...	2,379	675	1,486	279	4,781	379	...	...	...	...	...	...	...
Ind. Lumbmns.	4,631,018	2,054,873	44.4	2,052,808	1,773,959	711,213	896,862	470,064	1,960,197	873,596	2,578,210	994,841	38.6	1,395,598	1,182,612	447,351	37.8
Inland Mut., W. Va.	1,595,496	735,960	46.0	180,071	860,960	455,999	710,234	270,052	24,302	9,909	1,415,425	703,867	48.5	222,526	1,192,899	455,970	38.2
Integrity, Wis.	572,003	183,404	32.0	215,538	287,131	65,080	121,301	58,508	163,571	59,816	356,465	156,509	43.7	95,037	261,428	131,111	50.2
Interboro Mut.	2,053,717	1,035,165	50.5	356,403	1,404,142	775,044	514,658	206,177	134,917	53,944	1,697,314	848,673	50.0	129,937	1,567,377	663,148	42.3
Iowa Farm Mut.	8,196,215	4,005,303	49.0	1,101,110	1,762,668	926,268	1,067,537	698,853	5,366,010	2,380,182	7,095,105	4,554,747	64.3	720,848	6,374,257	4,197,017	65.7
Ia. Hardware	682,043	301,038	44.1	11,993	202,929	127,625	144,077	65,242	335,037	108,171	670,050	357,234	53.2	—28,283	698,333	382,552	54.8
Ia. Home Mut.	3,108,272	1,461,277	47.0	483,977	923,961	444,908	867,826	416,340	1,316,485	600,029	2,624,295	1,335,426	50.7	95,980	2,528,315	1,536,004	60.7
Iowa Mutual	4,712,861	2,166,988	46.0	217,602	1,922,707	903,416	1,140,241	553,041	1,649,913	710,531	4,495,259	2,588,740	57.7	364,657	4,130,602	2,565,157	62.1
Iowa Nat. Mut.	10,399,446	5,083,254	49.0	1,317,885	4,364,512	2,347,469	2,688,107	1,350,837	3,346,827	1,384,948	9,081,561	4,612,607	50.8	1,508,110	7,573,451	4,160,820	54.9
Jamestown Mut.	1,741,479	740,651	42.5	391,315	1,179,052	496,213	540,375	240,635	22,052	3,803	1,350,164	684,837	50.5	226,114	1,124,050	485,634	43.5
Ky. Farm. Bur. Mut.	2,491,534	1,426,503	57.0	390,688	915,082	480,080	574,248	440,080	1,002,204	506,343	2,100,846	1,235,320	58.0	267,411	1,833,435	866,509	47.2
Lawn Mut., Pa.	1,053,779	623,529	59.2	267,426	100,503	66,453	97,146	58,842	855,860	498,234	786,353	293,868	37.2	393,758	392,595	259,110	66.0
Le Mars Mut., Ia.	840,876	422,884	50.2	129,643	268,059	141,263	178,407	99,905	394,410	181,716	711,233	350,454	49.2	71,861	639,372	306,055	47.8
Liberty Bell, Pa.	663,727	312,921	47.0	267,992	121,423	28,226	102,108	41,374	440,196	243,321	395,735	160,127	40.5	321,136	74,599	46,902	62.9
Liberty Mutual	66,724,374	36,826,681	55.1	11,965,666	35,883,828	23,661,774	17,830,759	7,810,186	13,009,787	5,354,721	54,758,708	32,106,504	58.6	9,424,782	45,333,926	25,341,817	55.8
Liberty Mut. Fire	6,078,347	3,897,999	64.0	1,076,123	3,270,169	2,468,807	1,565,647	840,489	1,242,531	588,703	5,002,224	3,352,628	67.0	...	...	...	...
Lincoln, Mich.	824,451	487,058	59.0	88,031	282,401	166,354	233,053	184,887	308,997	135,817	736,420	343,505	46.5	18,708	717,712	334,519	46.6
Lincoln, N. J.	574,992	404,509	70.5	190,559	355,975	293,096	219,017	111,413	...	...	384,433	194,944	50.5	68,707	315,726	202,109	64.1
Lbr. Mut. Cas., N. Y.	1,525,569	767,959	50.5	297,547	1,039,529	505,573	414,056	228,957	71,984	33,429	1,228,022	696,699	57.0	408,331	819,691	623,722	76.0
Lumb. Mut. Cas.	66,487,496	28,090,030	42.1	3,286,129	36,345,040	17,166,452	17,956,819	7,049,175	12,185,637	3,874,403	63,201,367	33,226,147	52.4	6,869,683	56,331,684	29,021,437	51.5
Madison Co., Ill.	1,022,008	666,450	65.3	123,194	235,116	208,852	128,942	123,765	657,950	333,833	898,814	507,592	56.2	63,447	835,367	485,331	58.1
Market Mens, Wis.	223,009	112,516	50.2	171,693	106,684	44,131	51,006	31,638	15,319	36,747	51,316	21,413	41.7	20,926	30,390	8,446	27.8
Merch. Mut. Cas.	11,336,489	5,118,039	45.2	3,004,725	7,783,202	3,665,754	3,299,500	1,336,999	253,787	115,286	8,331,764	4,136,128	49.5	1,385,704	6,946,060	4,082,123	58.8
Meridian Mutual**	4,600,279	2,347,710	50.8	815,583	1,561,204	711,604	1,050,692	647,219	1,988,383	988,887	3,784,696	2,009,325	52.9	1,144,781	2,639,915	1,552,768	58.8
Mich. Millers	782,283	373,298	47.6	249,103	27,608	6,015	14,657	6,577	740,018	360,706	533,180	211,524	39.5	72,980	460,200	181,259	39.4
Mich. Mut. Auto	1,383,127	728,145	52.7	279,012	341,737	131,534	347,176	206,171	694,214	390,440	1,104,115	555,532	50.3	122,658	981,457	440,108	44.9
Mich. Mut. Liab.	17,713,171	10,550,824	59.3	1,925,967	7,108,110	5,181,162	4,675,781	2,673,201	5,929,280	2,696,461	15,787,204	8,407,809	53.6	2,463,707	13,323,497	7,246,709	54.4
Midwest, Ia.	174,187	46,687	26.8	125,459	49,889	17,692	42,514	14,239	81,784	14,756	48,728	24,543	50.2	—56,889	105,617	27,041	25.6
Millers Mut. Fire, Tex.	2,589,367	1,109,476	42.6	489,772	898,602	431,857	567,047	267,577	1,123,718	410,042	2,099,595	859,790	40.9	1,248,191	851,404	311,666	36.6
Millers Mut. Ill.	652,741	242,105	37.1	44,792	40,439	35,638	19,050	9,360	593,252	197,107	607,949	207,184	34.1	28,540	579,409	213,528	36.8
Mill Owners, Ia.	716,285	330,068	46.0	480,069	176,514	43,087	97,513	53,467	442,258	233,514	236,216	107,900	45.4	209,677	26,539	20,785	78.3
Milwaukee Auto	4,889,401	2,342,262	47.9	874,768	2,588,063	1,247,414	1,078,538	599,196	1,222,800	495,650	4,014,633	2,100,313	52.2	468,821	3,545,812	1,799,786	50.7
Minn. Fmrs. Mut.	1,175,569	543,030	46.3	85,755	449,944	192,141	252,787	127,803	472,838	223,086	1,089,814	620,005	57.4	224,959	864,855	324,749	37.6
M. F. A. Mut.	7,107,87	3,513,693	49.4	1,883,688	2,546,068	1,483,043	1,610,260	702,336	2,951,359	1,328,314	5,223,999	2,537,057	48.5	1,304,620	3,919,379	1,694,467	43.2
Missouri Mut. Cas.	105,563	19,639	18.6	18,674	49,212	7,893	34,742	7,159	21,609	4,587	86,889	25,231	29.1	—1,522	88,411	37,342	42.2
Mo. Valley, S. D.	39,998	25,044	62.7	8,225	9,310	12,427	9,549	2,094	21,139	10,523	31,773	13,168	41.3	6,628	25,145	7,496	29.8
Mot. Mut., O.	8,496,948	4,044,172	26.2	1,807,523	2,959,436	1,306,511	2,211,936	1,094,345	3,325,576	1,643,316	6,689,425	3,239,940	48.3	1,297,577	5,391,848	2,608,761	48.4
Mount. States, Mont.	234,449	87,833	37.5	74,808	95,924	13,821	48,518	33,659	90,007	40,353	159,641	50,318	31.8	59,421	100,220	35,213	35.0
Mount. States, N. M.	97,119	48,090	49.4	2,425	38,512	5,537	40,958	21,925	27,448	15,320	94,694	49,646	52.4	10,917	83,777	22,277	27.2
Mutual Auto, Wis.	1,854,100	1,118,513	60.0	205,399	911,481	545,603	408,830	277,886	533,789	295,024	1,648,701	1,163,450	71.5	283,387	1,365,314	1,066,865	78.0
Mutual Ben. Pa.	492,669	187,699	38.0	29,459	...	7,618	...	...	492,669	180,081	463,210	171,034	36.9	94,948	368,562	124,801	34.0
Mut. Fire & Auto, Ia.	699,587	325,171	46.5	113,288	217,931	109,752	186,307	86,321	295,349	129,098	586,299	269,722	45.9	68,498	517,801	272,333	52.6
Mut. Ser. Cas., Minn.	6,321,463	3,431,252	54.3	1,326,390	2,968,540	1,752,754	1,339,933	723,696	2,012,990	954,802	4,995,073	2,320,427	46.6	1,340,187	3,654,886	2,176,152	59.5
Natl. Grange Mut.	11,715,927	6,104,410	52.1	2,694,842	6,808,327	3,703,033	3,200,724	1,597,114	1,706,876	804,263	9,021,085	5,539,559	61.5	1,816,138	7,204,947	3,662,110	50.8
Natl. Mut., D. C.	847,977	449,286	53.0	—22,945	504,593	283,207	325,734	158,936	17,650	7,143	870,922	429,531	59.4	...	...	...	...
Natl. Mut., Mich.	142,707	75,995	53.4	26,837	99,083	50,411	42,702	25,413	922	171	115,870	62,099	53.9	7,783	108,087	59,194	54.7
N. Y. Prt. & Book.	145,249	43,014	29.7	37,396	109,824	32,496	35,426	10,518	...	...	107,853	41,436	38.7	26,814	81,039	57,027	70.3
Nodak Mutual	792,186	350,071	44.2	45,424	175,275	29,541	74,382	44,159	542,529	276,371	746,762	370,092	49.4	64,465	682,297	351,677	51.4
Northern Cas., Ia.	225,775	133,431	59.1	70,520	71,663	30,377	59,545	23,898	94,567	79,156	155,255	91,387	58.9	10,712	144,543	62,646	43.3
Okla. Farm Bur.	2,619,213	1,556,111	59.3	347,793	679,376	413,823	321,324	223,942	1,618,513	918,346	2,271,420	1,207,906	52.9	319,082	1,952,338	970,309	49.6
Penn. Mut. Indem.	561,403	361,932	64.3	—273,575	299,489	142,814	192,726	157,132	69,188	61,986	834,978	550,103	66.0	319,860	515,118	339,873	66.0
Pa. Thresh	10,650,248	5,261,297	49.6	2,185,390	5,980,058	2,817,963	3,783,846	2,055,652	886,344	387,682	8,464,858	3,839,912	45.2	1,619,929	6,844,929	4,027,246	58.8
Pioneer Mut., Mass.	903,743	477,389	52.9	293,305	...	...	568,285	245,471	335,458	231,918	610,305	353,040	57.9	187,251	423,054	245,950	58.0
Pioneer Mut. Cas., O.	467,141	206,412	44.1	102,682	148,047	54,908	131,654	70,088	187,440	81,416	364,459	186,019	51.0	—8,617	373,076	165,871	44.4
Pioneer Mut., N. M.	In receivership, 1952, figures not available								...	...	...	...	...	...	1,473,931	863,717	58.5
Pref. Risk, Ia.	2,285,540	952,148	41.7	1,063,477	826,327	329,531	562,751	255,326	896,462	367,291	1,222,063	584,185	49.8	605,292	616,771	306,600	49.8
Protect. Fire, Neb.	142,086	63,141	44.4	31,816	32,199	15,822	25,293	15,255	84,594	32,064	110,270	42,150	38.2	48,105	62,165	30,170	48.6
Progressive Mut., O.	2,063,450	1,117,136	54.0	297,061	341,372	110,595	285,873	134,410	1,436,205	872,131	1,766,389	1,022,665	58.0	200,139	1,566,250	809,468	51.6
Prudence Mut. Cas.*	595,058	288,962	48.5	111,460	234,254	111,046	154,901	73,414	162,770	104,502	483,598	181,619	37.5	161,240	322,358	185,806	57.6
Pub. Ser. Mut., N. Y.	3,715,232	1,835,472	49.4	2,238,327	2,868,366	1,489,284	829,075	344,248	17,791	1,940	1,476,905	784,411	53.0	115,299	1,361,606	872,231	64.0
R. I. Mut.	452,755	170,000	36.1	154,790	223,238	76,086	170,648	68,328	58,869	25,586	297,965	121,372	40.8	68,649	229,316	95,401	41.6
Rural Mut. Cas., Wis.	2,055,836	1,065,333	52.0	178,864	845,180	460,047	326,076	239,566	884,580	365,720	1,876,972	983,112	52.5	269,053	1,607,919	1,101,419	68.6
Sec. Mut. Cas., Ill.	4,030,875	2,998,695	74.1	789,399	3,237,614	2,731,962	512,100	154,075	281,161	112,658	3,241,476	2,563,720	79.0	1,990,001	1,251,475	1,046,203	83.3
Sec. Mut. Liab., N.Y.	390,812	177,520	45.4	—33,973	288,753	137,539	97,551	41,674	4,508	—1,653	424,785	122,435	28.8	—232,585	657,370	400,878	61.0
Service Mut., Tex.	812,858	467,008	57.5	—159,375	322,723	193,144	201,978	116,987	288,157	156,877	972,233	639,880	65.8	17,223	955,010	523,075	54.8
Shelby Mut., Ohio	11,174,383	6,011,576	53.8	840,838	5,063,013	3,236,000	3,120,186	1,541,340	2,991,184	1,234,175	10,333,545	5,254,838	50.8	2,679,078	7,654,467	3,965,054	51.8
S. D. Mutual	236,405	107,095	45.4	102,154	67,483	14,119	39,661	19,220	129,261	73,756	134,251	67,264	50.0	65,254	68,997	26,442	38.3
Stand. Mut. Cas., Ill.	673,232	268,851	39.8	124,138	255,385	100,348	157,896	61,568	259,951	106,935	549,094	196,395	35.8	—3,381	552,475	235,649	42.5
Stand. Reliance, Neb.	945,854	411,542	43.5	393,195	288,631	107,666	226,552	111,486	430,671	192,390	552,659	248,178	44.9	170,323	382,336	161,501	42.2
State Auto, Ohio	18,973,528	9,196,306	48.4	3,114,051	6,672,644	3,748,397	4,767,320	2,498,910	7,533,564	2,948,999	15,859,477	7,609,191	48.0	2,172,366	13,687,111	5,961,633	43.5
State Farm, Ill.††	175,186,182	96,000,435	54.7	42,587,042	66,648,655	36,427,821	30,857,349	20,478,001	77,680,178	39,094,613	132,599,140	74,522,388	56.4	23,629,111	108,970,029	61,878,751	55.7
Sunshine, S. D.	808,171	469,534	58.0	...	240,696	109,542	153,534	109,542	413,941	250,753	...	...	...	...	...	...	...
Supreme, Mo.	17,223	13,934	81.0	—54,228	11,475	13,703	5,737	231	11	...	71,451	41,676	58.4	3,525	67,926	78,932	116.0
Tenn. Farmers	1,574,126	819,495	51.9	425,081	682,916	299,020	351,045	276,133	540,165	244,342	1,149,045	532,131	21.4	145,690	1,003,355	613,750	61.2
Trnsptn., Mass.	267,043	157,930	59.0	28,132	229,325	131,952	37,718	25,978	...	...	238,911	168,741	70.5	27,283	211,628	156,070	73.8
Tri-State, Minn.	370,060	249,559	67.3	...	67,152	37,741	45,924	28,657	256,984	183,161	...	...	...	...	...	...	...
Union Fire, Neb.	1,710,090	739,844	43.2	170,690	336,247	151,448	305,784	158,185	1,068,059	430,211	1,539,400	643,730	42.0	44,302	1,495,098	655,668	43.8
Univ. Mut. Cas. Ill.	676,536	429,479	63.4	136,261	253,980	196,477	145,590	82,954	276,966	150,048	540,275	295,720	54.5	7,154	533,121	326,616	61.2
U. S. Mut. Liab.	7,386	7,508	102.1	717	7,386	7,508	...	...	...	...	6,669	—2,307	19.5	—2,982	9,651	3,591	37.2
Utica Mut.	16,032,834	7,878,400	49.1	3,078,784	10,014,786	5,359,167	4,549,631	1,914,736	1,468,417	604,497	12,954,050	7,416,531	57.2	2,531,971	10,422,079	5,171,818	49.6
Va. Farm Bur.	355,085	172,544	48.4	81,753	123,474	69,885	93,573	41,082	138,038	61,577	273,332	105,698	38.5	100,165	173,167	50,791	29.4
Virginia Mut.	1,664,383	717,287	43.1	259,868	833,182	362,239	553,439	238,684	277,762	116,364	1,404,515	654,559	46.6	157,327	1,247,188	572,162	45.8
Wash., Wash.	131,477	56,816	43.3	...	32,226	15,262	24,244	12,103	75,007	29,451	...	...	...	...	...	...	...
West. Farm Bur.†	562,695	333,832	59.3	53,350	123,193	108,577	83,735	46,975	355,767	178,280	509,345	241,033	47.4	89,062	420,283	201,458	47.9
West. Millers, Mo.	301,549	155,355	51.4	176,439	76,347	35,731	39,735	22,085	185,467	97,539	125,110	83,120	66.4	60,019	65,091	26,219	40.3
Western Mut. Ia.	2,180,074	909,227	41.6	124,391	726,335	287,941	550,838	240,719	902,901	380,567	2,055,683	1,054,587	51.2	256,853	1,798,830	784,710	43.6
Western Res., O.	683,250	357,580	52.3	70,193	168,699	111,900	172,432	98,872	342,119	146,808	613,057	356,799	58.0	183,082	429,975	219,843	51.1
West. States, Ill.	1,478,879	690,152	46.7	184,954	535,302	253,315	324,549	153,615	619,028	283,222	1,293,925	546,837	42.4	217,551	1,076,374	490,526	45.6
Wolverine Mut.	504,716	243,730	48.1	146,968	127,647	52,317	108,176	53,143	268,893	138,270	393,748	163,214	41.5	49,741	344,007	161,507	47.9
Totals	907,453,013	472,126,035	51.9	171,376,307	397,482,274	220,934,139	210,158,918	111,246,375	299,534,652	139,940,567	719,404,318	395,746,532	54.9	111,491,654	602,544,054	329,406,097	54.7

*Includes membership fees **Formerly Farmers Mutual Liability, Indianapolis. †Formerly New Mexico Farm Mutual. ††Includes membership fees.

Show Ratios of Law Suits Outstanding to Auto Liability Premiums Earned in 1951-52

The ratios of suits outstanding to earned automobile liability premiums country-wide for companies licensed in Illinois are shown in the following exhibit. The information is taken from the 1953 annual statements filed with the Illinois department.

In the first column is shown the total of automobile liability premiums earned during the three-year period 1951-1953. Column two shows the number of suits outstanding at Dec. 31, 1953, in connection with policies for which the premium was earned in the three-year period; in column three is the number of suits per $100,000 of earned premiums.

	Prems. Earned 1951-53	Outstanding Suits, Dec. 31	Suits Per $100,000 of Earned Prems.
Acc. & Cas.	4,160,159	222	5.3
Aetna Casualty	92,262,873	4,421	4.8
Aetna Fire Group	27,428,212	2,699	9.8
Allied Am. M. Fire	1,508,309	90	6.0
Allied Mut. Cas	3,874,890	132	3.4
Allstate	137,940,795	9,097	4.8
Amer. Auto.	50,468,256	1,374	2.7
Amer. Casualty	16,828,632	924	5.5
Amer. Employers	15,343,610	1,034	6.7
Amer. Fid. & Cas.	35,091,231	1,822	5.2
Amer. Fid. Fire	2,933,973	300	10.2
Amer. Guarantee	6,260,095	632	10.1
Amer. Indemnity	3,849,960	229	5.9
American, N. J.	16,628,750	1,162	7.0
Amer. Motorists	23,169,839	1,634	7.1
Amer. Mut. Liab.	20,620,509	2,400	11.6
American Policyholders	1,725,981	407	23.6
Amer. States	10,297,349	81	.8
Amer. Surety	25,469,426	1,895	7.7
Anchor Casualty	6,728,971	249	3.7
Arex Indemnity	252,739	12	4.8
Assoc. Indemnity	511,480	18	3.5
Atlantic, Texas	856,001	15	1.7
Atlantic Mutual	4,565,652	210	4.6
Auto Club., Mo.	4,356,116	95	2.2
Auto Owners	8,836,694	231	3.8
Badger Mutual	1,938,971	68	2.6
Birmingham Fire	189,738	15	7.9
Bituminous Casualty	3,692,457	162	4.4
Boston	3,646,313	377	10.3
Buckeye Union Cas.	8,763,143	230	2.6
Canadian Indemnity	1,117,907	35	3.1
Capitol Indem.	936,256	30	3.2
Carolina Cas.	3,453,499	173	5.0
Car & General	4,591,252	339	7.4
Cas. Recip. Ex.	4,715,487	319	6.8
Centennial	205,136	21	10.2
Central National	1,236,106	81	6.6
Central Surety	7,805,449	364	4.7
Chicago Ice Prod.	194,019	31	16.0
Citizens Casualty	3,335,239	160	4.8
Coal Operators Cas.	183,241	14	7.7
Columbia Casualty	5,556,536	369	6.6
Commerce	25,256,341	1,604	6.3
Commercial, N. J.	23,354,784	3,047	13.1
Comm. Standard	5,220,445	192	3.7
Conn. Fire	1,353,937	60	4.4
Conn. Indemnity	7,005,442	474	6.8
Consolidated Unds.	3,201,411	169	5.3
Continental Cas.	38,094,904	1,750	4.6
Cook County Fmrs.	161,184	30	18.1
Country Mut. Cas.	6,745,682	612	9.1
Dubuque F.&M.	132,914	8	6.1
Eagle Fire, N. Y.	1,735,754	136	7.8
Eagle Star	51,107	4	7.8
Economy F. & C.	2,453,352	81	3.3
Electric Mut. Liab.	553,941	53	9.6
Employers Casualty	7,396,883	325	4.4
Employers' Liability	33,234,174	2,562	7.8
Employers Mut. Liab.	15,120,718	584	3.9
Employers Mut. Cas.	12,127,894	281	2.3
Equity Mut.	1,855,562	72	3.9
Equitable F.&M.	1,353,937	60	4.4
Exchange Assn.	1,965,913	260	13.2
Factory Mut. Liab.	15,808,849	1,938	12.2
Fmrs. Auto. Ill.	2,041,439	129	6.3
Fmrs. Exchange, Cal.	70,901,267	2,280	3.2
Fmrs. Mut. Auto	18,072,810	672	3.7
Fmrs. Mut. Hail, Ia.	2,087,736	82	3.9
Federal	9,997,780	777	7.8
Fed. Mut. Imp. & Hdw.	5,048,490	84	1.7
Fidelity & Casualty	83,187,174	7,921	9.5
Fidelity Mutual	2,664,223	100	3.7
Fire Association	2,259,893	197	8.7
Fireman's Fund Indem.	29,191,318	1,617	5.5
Fireman's Fund	3,430,278	125	3.6
Freeport Motor Cas.	3,018,843	85	2.8
General Accident	49,530,501	2,669	5.4
General Cas., Wash.	30,945,335	1,091	3.5
General Cas., Wis.	7,823,958	356	4.5
General Fire & Cas.	11,212,721	1,550	13.8
Glens Falls Grp.	25,256,341	1,604	6.3
Globe & Rutgers	80,248	12	15.0
Govt. Employees	13,246,406	831	6.3
Great American	3,493,475	284	8.1
Grain Dealers Mutual	1,493,415	37	2.4
Great Amer. Indem.	31,547,977	1,799	5.7
Gulf	4,545,268	138	3.0
Hardware Mut. Cas.	34,943,036	1,770	5.1
Hardware Mut., Minn.	8,929,351	575	6.4
Hartford Accident	126,036,658	7,034	5.6
Hawkeye-Security	2,965,897	181	6.1
Highway Und.	2,238,542	72	3.2
Home F.&M.	855,539	31	3.6
Home Indemnity	32,671,879	2,621	8.0
Hoosier Casualty	1,927,275	74	3.8
Horace Mann	415,098	17	4.1
Houston F.&C.	3,040,026	184	6.1
Ideal Mutual	1,922,969	193	10.0
Indiana Lumbermens Mut.	2,807,765	98	3.5
Illinois Natl. Gas	3,816,379	195	5.1
Indemnity of N.A.	41,585,873	3,342	8.0
Inland Mutual	2,040,688	75	3.7
Inter-Ins. Exchange	7,282,470	308	4.2
Interstate F.&C.	23,416	2	8.5
Industrial	1,362,499	181	13.3
Ins. Co. of N.A.	4,941,511	386	7.8
Ins. Co. of Pa.	26,749	12	4.5
Ia. Hardware Mut.	464,103	18	3.9
Ia. Mutual	4,001,786	76	1.9
Ia. Natl. Mut.	8,886,190	394	4.4
Kan. City F.&M.	499,896	29	5.8
LaSalle Casualty	420,492	69	16.4
Liberty Mutual	78,928,238	7,205	9.1
London Guarantee	12,300,381	1,033	8.4
London & Lanc. Ind.	8,183,351	596	7.3
Loyalty Group	15,377,564	756	4.9
Lumbermens Mut. Cas.	89,069,125	6,627	7.4
Madison Co. Mut., Ill.	431,802	35	8.1
Mfrs. Casualty	10,260,789	503	4.9
Mfrs. Merch. Ind.	2,723,552	167	6.1
Mfrs. & Whlslrs. Ind.	842,306	20	2.4
Marine	677,052	56	8.3
Market Mens Mut.	137,863	1	.7
Maryland Casualty	48,372,900	1,918	4.0
Mass. Bonding	25,670,078	3,151	12.2
Merchants Indem.	6,930,391	746	10.8
Metropolitan Cas.	20,644,048	1,797	8.7
MFA Mut., Mo.	4,277,612	175	4.1
Michigan Mut. Liab.	15,880,595	564	3.5
Michigan Surety	2,386,563	28	1.2
Millers Mut. Fire	1,700,283	35	2.1
Mill Owners Mut.	197,960	7	3.5
Minn. Fmrs. Mut. Cas.	1,020,571	40	3.9
Motor Vehicle Cas.	2,800,882	90	3.2
National Auto & Cas.	6,108,445	371	6.1
National Cas.	1,075,713	161	14.9
National Fire Grp.	13,072,906	756	5.8
National Grange	14,333,820	1,237	8.6
National Indem.	1,704,339	226	12.0
National Surety	10,878,066	590	5.4
National Union Fire	1,629,795	111	6.8
National Unds.	64,152	7	10.9
National Union Indem.	1,515,889	6	.4
New Amsterdam Cas.	35,177,592	3,712	10.5
Northeastern	1,362,499	181	13.3
North River	318,506	5	1.6
Northwest Cas.	12,519,583	539	4.3
Northwestern Natl. Cas.	7,836,021	339	4.3
Norwich Union Fire	1,735,754	136	7.8
Ocean Accident	8,689,117	665	7.7
Ohio Casualty	31,541,477	525	1.7
Ohio Fmrs. Indem.	10,616,445	379	3.6
Old Colony	1,562,705	162	10.4
Pacific Employers	7,374,849	262	3.5
Pacific Indem.	16,067,767	668	4.2
Peerless Casualty	8,630,338	301	3.5
Phoenix Indem.	8,614,162	688	8.0
Philadelphia F.&M.	548,535	42	7.7
Phoenix	1,353,937	60	4.4
Prairie State Fmrs.	274,226	5	1.8
Preferred, Mich.	2,818,325	132	4.7
Preferred Risks Mut.	1,299,537	13	10.0
Provident Fire	118,062	9	7.6
Prov. Wash.	2,764,587	265	9.6
Prov. Wash. Indem.	1,440,020	209	14.5
Prudence Mut. Cas.	483,656	19	3.9
Public Natl. Fla.	627,422	34	5.4
Reliance	564,836	49	8.7
Reserve	294,318	76	2.7
Royal Auto Assn.	85,957	5	5.9
Royal Exchange Assn.	177,094	13	7.3
Royal-Liverpool	85,819,019	5,715	6.7
St. Paul Merc.-Indem.	29,346,950	1,475	5.0
Sea	338,526	28	8.3
Seaboard Surety	246,946	10	4.1
Secured Casualty	683,907	10	1.5
Security Mut. Cas.	6,291,526	99	1.6
Security, New Haven	7,005,442	474	6.8
Shelby Mutual	10,592,170	640	6.0
Springfield F.&M. Grp.	3,442,912	345	10.0
Standard Accident	51,049,067	3,724	7.3
Standard, Okla.	1,116,512	25	2.2
Standard Mut. Cas.	554,874	20	3.6
State Auto, Ia.	5,514,539	111	2.0
State Auto, Ind.	7,880,951	484	6.1
State Farm Mut. Auto	137,923,006	4,350	3.2
Suburban Casualty	1,208,036	67	5.5
Sun Indemnity	4,249,392	510	12.0
Transit Casualty	9,479,809	563	5.9
Transport Indemnity	7,569,217	430	5.6
Transport, Tex.	2,040,813	93	4.6
Travelers Indemnity	21,930,290	1,073	4.9
Trinity-Universal	8,213,210	242	3.0
Truck Exchange	15,442,009	501	3.2
Union Auto Indem.	2,184,707	79	3.6
United Benefit Fire	1,264,374	58	4.6
United F. & C.	1,038,044	30	2.9
United Pacific	8,023,646	156	1.9
U.S. Casualty	17,478,965	1,483	8.5
U.S.F.&G.	88,644,948	3,975	4.5
U.S. Fire	663,865	30	4.5
Universal Indem.	979,444	89	9.1
Univ. Mut. Cas.	690,243	69	10.0
Univ. Unds., Mo.	2,085,443	188	9.0
Utica Mut.	22,188,617	1,757	7.9
Vernon Casualty	1,073,206	32	3.0
Vigilant	672,033	50	7.4
Virginia Surety	2,508,898	155	6.2
Western Cas. & Surety	15,230,385	582	3.8
Western States Mut.	1,052,932	39	3.7
Western Millers	107,935	7	6.5
Wolverine	4,143,853	119	2.9
Yorkshire	4,191,308	386	9.2
Yorkshire Ind.	3,085,353	293	9.5
Zurich	29,778,369	2,125	7.2

RECIPROCAL FIRE 1953 Results

	1953 Prems. Earned	1953 Losses Incurred	1953 Ratio Loss	1953 Incr. or Prems. Dec. in	1952 Prems. Earned	1952 Losses Incurred	1952 Ratio Loss	1952 Incr. or Prems. Dec. in
Affil. Unds., N. Y.	2,860	—144	......	—703	3,563	—2,068	......	—16,905
Auto Exch., Cal.	151,940	61,210	40.5	—1,752	153,692	58,632	38.3	—2,932
Berwind Ex., Pa.	6,136	—216	......	—607	6,743	1,876	27.8	—2,559
Cleveland Exch.	444,539	245,703	55.2	146,433	298,106	234,264	78.5	249,228
Cons. & Dists., Cal.	232,985	98,320	42.4	152,605	80,380	40,748	50.6	10,168
Recip. Ex., Mo.	20,750	....	......	20,750	....	....	......	—218
Univ. Unds., Mo.	1,600,504	568,066	35.5	204,411	1,396,093	438,669	31.5	222,658
Totals	2,459,714	981,939	40.4	521,137	1,938,577	772,121	40.0	459,440

1953 LLOYDS FIRE Results

	1953 Earned Prems.	1953 Incurred Losses	1953 Loss Ratio	1953 Incr. or Dec. in Prems.	1952 Earned Prems.	1952 Incurred Losses	1952 Loss Ratio	1952 Incr. or Dec. in Prems.
El Paso Lloyds	38,161	19,822	51.9	....	....	....	......	....
Lloyds, Austin	58,480	17,978	30.6	7,785	50,695	15,825	31.2	10,356
Lloyds, N. M.	215,433	102,257	47.5	—10,961	226,394	133,826	58.8	65,711
Lloyds, N. Y.	51,752	20,300	39.2	2,212	49,540	21,484	43.2	2,419
Western Lloyds	74,947	39,665	52.8	16,822	58,125	28,863	49.5	—32,657
Totals	438,773	200,022	45.6	54,019	384,754	199,998	49.5	—32,657

Time for Local Agent to Ask Citizens to Buy

(CONTINUED FROM PAGE 37)

dures and perhaps to improved procedures.

With most companies now using one full cover auto policy, the product of the two bureaus when combined should be improved.

Territories for auto casualty are to be modernized. Work is already proceeding on this. There are two parts to rating territories: one takes in such logical factors as geography, density of population, roads, type of population, etc.; the other considers the experience and directly applies it to rating. State Farm and Farm Bureau use their own territorial divisions. The modernizing of territories by bureau companies, to reflect changes that have occured since the 1930s, should enable bureau companies to sharpen up their competition.

There will be an increasing intensity of competition between the big specialty writers (as well as between them and agency companies). This will not help the agents, who will be caught in the crossfire.

New schemes of operation such as

six months and continuous policies, machine billing, premium at inception of insurance, etc., will continue to be in the spotlight. They will continue to be tested. The ones that prove their merit will stay in the business.

Experiments such as those being conducted by Safeco, Erie of the Hawkeye-Security group, and Fire & Casualty Co. of Connecticut are apt to roll right on. Someone has asked how an agent can have the same article on his shelves at two prices. Well, he has been doing it for years and years. In New England (and some other areas) the agent represents both stock and mutual companies. When he has a factory under competition, he places it in Factory Insurance Assn., at a lower rate. When he gets into competition on a big workmen's compensation risk, he turns to experience and retrospective rating plans.

There has been much discussion on the reduction of commissions to agents on automobile business by special insurers like Safeco, which pay 15% and adopt some of the mass production economies of the direct writers.

Just how successful these middle ground insurers will be remains to be seen.

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But in all the arguments pro and con about commissions on automobile business, the local agents should keep in mind that his commission is likely to be reduced in one way or another on automobile business. Even if his commission percentage remains the same, he is going to have to do more work for such business in the future than he has for years. He is going to have to make more sales effort and provide the kind of service he is capable of rendering, if he is to take business away from the specialty companies and keep it away from them.

Some specialty company men have become local agents. In general, they seem attracted to the 15% commission, local agency companies like Safeco. However, note that whether these agents are with a specialty company that they must represent exclusively or become local agents, they continue to be in competition with local agents already in the field.

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In discussions of saving on the expense of handling automobile business, it is said that one way would be to eliminate credit reports. These are expensive. If the agent gave his company a signed application, possibly the company could give up the practice of requiring such reports, though many company people do not believe the agent is experienced enough in the credit reporting field, he does not have enough specialized interest in this direction (and does have an interest in another), to produce a report that would be generally reliable. In the case of some agencies, companies don't use credit reports anyway. They use them when they have no real confidence in the agent's information or in his interest in getting it, and where they doubt for some other reason that the information is reliable.

Unquestionably flat cancellation and the avoidance of credit would save companies and agents expense. It is estimated that 2% of premiums must be assigned to the cost of free insurance.

The single limit for BI and PDL has statistical and rate making advantages. It would save on expenses and provide more reliable statistics. A certain percentage of loss crosses the BI-PDL line, as when more PDL is paid in order to avoid a possible BI claim. Adoption of a single limit within the foreseeable future is a distinct possibility. It would require changes in rating. There is still a question of whether it would increase claims in one person accidents, though it is pointed out that the British have no limit at all, payment being whatever the claim is settled for, in or out of court. Probably the U. S. will never go that far.

There is, of course, a distinct trend to one central division for handling automobile in companies—underwriting, claims, etc. Eventually this will be the rule in all companies and will have a tendency to bring about the adoption of more mass production practices and consequent savings. It should also help along a trend toward elimination of disparate practices which cost money and hamper the delivery of a better product.

On compulsory there is some feeling that the business is in an improved position. Beating the proposal twice in New York in itself has helped. It also has provided time, time for laymen to consider the pros and contras, time for lawyers to become alerted, and time for agents and companies to learn to work more effectively in opposition.

This should be a good year for companies writing auto physical damage. Though a slightly downward trend in rates already is under way, the rate level will not be substantially altered during the year and volume should not drop off much if any in spite of some decline in the sales of new cars. By year end that decline may be insignificant.

Auto Premiums by Company Groups

STOCK GROUPS

	1953 Prems. Earned	1952 Prems. Earned
Travelers	73,694,913	59,752,091
Travelers Indem.	82,779,874	67,854,007
Travelers Fire	13,695,954	12,754,427
Total	**170,170,741**	**140,360,525**
General Exchange	117,074,727	98,012,557
Motors	28,225,651	25,534,965
Total	**145,300,378**	**123,547,965**
Allstate	131,794,816	89,231,956
Allstate Fire	12,336,326	11,162,471
Total	**144,131,142**	**100,394,427**
Hartford Acc.	83,009,750	73,749,247
Hartford Fire	35,933,907	33,819,333
N. Y. Unds	843,847	742,560
N. Y. F. & M.	463,066	438,464
Citizens, N. J.	370,493	350,771
Twin City	277,839	263,079
Total	**120,898,902**	**109,363,454**
Amer. Auto	34,931,699	30,509,154
Amer. Auto Fire	13,688,912	13,132,525
Assoc. Indem.	329,311	319,582
Total	**112,742,139**	**43,961,261**
Fidelity & Cas.	58,511,622	46,068,413
Continental	14,451,098	13,873,058
Fidelity-Phenix	12,384,275	12,835,353
Niagara	3,525,086	3,487,259
Amer. Eagle	1,939,030	1,879,251
Total	**90,811,111**	**78,143,334**
Aetna Cas.	62,683,246	51,041,244
Automobile	23,755,244	21,629,670
Standard, Conn.	496,070	440,611
Total	**86,934,560**	**73,111,525**
Globe Indemnity	17,464,406	12,859,315
Royal Indemnity	19,392,080	20,791,543
L. & L. & G.	6,653,746	5,167,345
Royal	7,693,647	5,865,531
Queen	8,742,369	7,651,076
Newark	4,250,054	3,050,375
Star	3,649,389	2,955,288
Va. F. & M.	1,098,342	983,662
Thames & Mersey	1,020,419	729,200
British & Foreign	1,739,660	1,230,654
Amer. & Foreign	2,954,884	2,217,487
Total	**74,658,996**	**63,501,475**
Service Fire	42,239,168	40,437,373
Service Cas.	21,553,049	23,995,346
Total	**63,792,217**	**64,432,719**
Metropolitan Cas.	14,467,253	13,448,428
Commercial	15,681,733	14,477,201
Firemen's, N. J.	20,667,588	13,012,545
Milwaukee	5,860,958	4,120,637
Concordia	....	1,518,130
Girard	2,159,300	1,026,397
Natl.-Ben Franklin	2,159,300	1,518,130
Total	**60,996,132**	**49,121,468**
Indem. of N. A.	32,480,201	25,444,937
Ins. Co. of N. A.	15,087,469	13,331,866
Phil. F. & M.	2,773,986	2,441,369
Total	**50,341,656**	**41,218,172**
General Acc.	35,492,015	29,967,314
Potomac	8,411,752	7,272,887
Total	**43,903,767**	**37,240,201**
Home	20,297,818	21,441,119
Home Indem.	19,935,145	19,130,307
Total	**40,232,963**	**40,571,426**
Calvert Fire	39,982,716	37,239,393
Cavalier	165,637	4,752
Total	**40,148,353**	**37,244,145**
Employers Liab.	22,499,339	20,332,923
Employers Fire	5,130,910	5,574,528
Amer. Employers	11,092,467	9,698,737
Total	**38,722,716**	**35,606,188**
Ohio Cas.	33,994,053	28,106,163
Ohio Ins.	2,410,470	1,871,660
West American	1,560,871	1,338,536
Total	**37,965,394**	**31,316,359**
Fireman's Fund Ind.	22,548,038	21,743,191
Fireman's Fund	11,282,556	11,250,100
Home F. & M.	2,820,640	2,812,524
Western Nat'l.	1,284,320	1,372,502
Total	**37,935,604**	**37,178,317**
New Amst. Cas.	25,039,567	21,792,186
U. S. Cas.	12,731,505	11,466,314
Total	**37,771,072**	**33,258,500**

LLOYDS FULL COVER Insurers' 1953 Automobile Experience Is Reported

	1953 Total Earned Prems. $	1953 Total Incurred Losses $	1953 Total Loss Ratio %	1953 Total Inc. or Dec. in Prems. $	1953 Liability Earned Prems. $	1953 Liability Incurred Losses $	1953 Property Damage Earned Prems. $	1953 Property Damage Incurred Losses $	1953 Phys. Damage Earned Prems. $	1953 Phys. Damage Incurred Losses $	1952 Total Earned Prems. $	1952 Total Incurred Losses $	1952 Total Loss Ratio %	1952 Total Inc. or Dec. in Prems. $	1951 Total Earned Prems. $	1951 Total Incurred Losses $	1951 Total Loss Ratio %
Amer. Lloyds, Dallas ..	262,267	87,901	33.5	122,765	138,156	31,652	74,274	30,400	49,837	25,847	139,502	64,261	46.1	65,094	74,408	27,949	37.6
Cent. Lloyds, Houston	1,251,265	718,655	57.2	343,047	340,603	167,394	229,837	123,177	680,825	428,083	908,218	651,705	71.7	570,608	337,610	141,208	41.7
Comm'l Lloyds, Tex. ..	154,431	126,283	81.8	93,356	....	....	....	1,940	154,431	124,343	61,075	66,338	100.8	8,605	52,470	—14,265	......
Consol. Lloyds, Tex. ..	2,840,376	1,090,964	38.3	375,755	—96	3,781	—71	1,563	2,840,543	1,085,620	2,464,621	1,203,130	48.6	802,247	1,662,374	888,446	53.4
Ft. Worth Lloyds	240,004	119,361	49.6	4,333	29,053	8,911	20,334	12,124	190,617	98,326	235,671	141,706	60.0	60,752	174,919	89,892	51.3
Intl. Lloyds, San Ant.	178,983	61,099	34.3	123,603	66,306	19,192	38,659	15,122	74,288	26,785	55,380	31,961	57.7	35,855	19,525	8,167	41.8
Lloyds Alliance, Tex.	397,419	187,720	47.1	—58,234	146,079	55,771	89,783	49,719	161,557	82,230	455,653	219,699	48.0	—8,294	463,947	251,522	54.2
London Lloyds, Ill.	3,223,073	3,313,071	100.2	390,423	1,860,368	2,564,025	815,206	326,585	547,499	422,461	2,832,650	4,167,450	147.1	1,505,770	1,326,880	1,346,147	100.1
London Lloyds, Ky. ..	397,014	176,299	44.4	58,817	202,665	90,422	59,429	10,003	134,920	75,874	338,197	185,117	55.0	43,541	294,656	148,032	50.2
Lumb. Lloyds, Tex.	58,248	16,982	29.1	517	27,187	5,949	21,270	8,786	9,791	2,247	57,731	30,629	53.0	12,069	45,662	25,110	55.0
So. Lloyds	179,253	61,099	34.2	—91,804	64,263	19,192	40,702	15,122	74,288	26,785	271,057	82,426	30.4	14,477	256,580	89,445	34.9
Natl. Lloyds. San Ant.	19,410	4,563	23.5	—1,184	6,135	1,096	4,882	1,691	8,393	1,776	20,594	1,605	78.0	—3,855	24,449	13,840	56.6
Southland Lloyds*	54,381	10,177	18.7	17,565	18,675	4,844	11,794	2,449	23,912	2,884	....	....	......	....	36,816	20,890	56.7
South Tex. Lloyds	2,108,730	858,304	40.6	511,794	31,596	15,364	22,313	9,049	2,054,821	833,891	1,596,936	795,469	50.0	106,600	1,490,336	708,938	47.5
Universal Lloyds, Tex.	192,977	55,537	28.8	—54,194	104,766	23,405	51,248	15,800	36,963	16,332	247,171	92,498	62.9	....	....	....	......
Totals	11,558,036	6,888,015	59.5	1,836,559	3,035,756	3,010,998	1,479,660	623,530	7,042,685	3,253,487	10,048,576	7,882,324	78.8	3,288,731	10,315,918	6,024,612	58.4

*Formerly Preferred Security Lloyds.

	1953 Prems. Earned	1952 Prems. Earned
Great Amer. Ind.	18,084,132	18,655,779
Great American	13,433,675	10,043,729
Amer. National	776,334	430,444
Amer. Alliance	2,329,002	1,721,781
Detroit F. & M.	970,418	717,408
Rochester Amer.	970,418	634,370
Mass. F. & M.	970,418	717,408
Total	37,534,397	32,920,919
Gen. Cas., Wash.	22,295,884	17,594,899
General, Seattle	12,424,218	11,259,174
First National	501,570	210,673
Total	35,221,672	29,064,746
Standard Acc.	29,741,695	27,556,287
Planet	749,708	811,638
Total	30,491,403	28,367,925
St. Paul-Merc. Ind.	19,888,956	17,873,802
St. Paul F. & M.	6,211,634	11,175,735
Mercury	3,584,669	3,637,603
Total	29,685,259	32,687,140
Continental Cas.	27,895,356	22,030,013
Transportation	....	17,887
Total	27,895,356	22,047,900
Glens Falls	15,276,900	12,867,054
Glens Falls Ind.	9,721,663	8,188,126
Commerce	2,777,618	2,339,465
Total	27,776,181	23,394,645
Aetna Fire	18,819,122	18,942,833
Century Indem.	3,421,659	3,444,150
Standard, N. Y.	3,421,659	3,444,150
World F. & M.	1,710,829	1,722,075
Total	27,373,269	27,553,208
Zurich	20,864,100	20,176,230
Amer. Guar. & Liab. ..	5,703,577	7,233,084
Total	26,567,677	27,409,314
Am. Fid. & Cas.	20,851,949	19,371,507
Am. Fid. Fire, N. Y.	4,663,858	4,068,901
Total	25,515,807	23,440,408
Premier	10,479,248	9,508,883
Paramount	165,763	133,709
Mfrs. Cas.	9,715,754	4,058,412
Pacific Nat. Fire	2,199,674	2,153,494
Total	22,560,439	15,854,498
Federal	17,848,975	9,463,021
Alliance, England	1,220,840	1,013,214
Marine	1,220,840	1,013,214
Vigilant	1,191,933	976,841
Sea	610,418	506,607
Total	22,073,006	18,176,176
National Fire	17,079,703	13,849,224
United Natl. Ind.	1,067,482	865,575
Mech. & Traders	1,067,482	865,575
Franklin Natl.	1,067,482	865,575
Transcontinental	1,067,482	865,575
Total	21,349,631	17,311,524
Phoenix, Conn.	9,696,594	7,725,432
Conn. Fire	5,845,358	4,660,898
Equitable F. & M.	1,169,071	932,378
Great Eastern	422,251	350,187
Total	18,133,274	13,668,895
Western C. & S.	10,619,870	9,486,811
Western Fire	7,260,541	6,559,402
Total	17,880,411	16,046,213
London Guar.	10,193,306	9,229,932
Phoenix Indem.	6,795,537	6,153,287
Phoenix London	327,494	420,657
United Firemen's	144,243	188,188
Columbia, N. Y.	267,894	343,167
Union Marine	111,296	154,979
Total	17,839,770	16,490,210
American Cas.	10,560,822	10,163,109
Am. Av. & Gen.	3,521,696	3,731,015
Acc. & Cas.	3,379,875	3,349,459
Total	17,462,663	17,243,583
Ocean Acc.	5,775,917	4,923,616
Columbia Cas.	3,864,050	3,309,558
Comm'l Union, Eng.	2,053,710	1,855,145
Amer. Central	1,049,821	948,408
California	640,115	578,278
Comm'l Union, N. Y.	511,456	461,992
Union, London	359,069	324,434
Palatine	359,069	324,435
British General	153,660	138,818
Total	14,766,867	12,864,684
Ohio Farmers Ind.	8,914,754	6,467,094
Ohio Farmers	5,216,792	4,327,176
Total	14,131,546	10,794,270
Buckeye Union Cas.	12,819,912	10,306,190
Buckeye Un. Fire	728,521	636,498
Total	13,548,433	10,942,688
Boston	8,167,895	6,110,917
Old Colony	3,500,526	1,753,997
Total	11,668,421	7,864,914
N. A. C. & S. Re	9,484,509	7,959,517
Swiss Reins.	2,077,614	1,710,879
N. A. F. & M. Re	96,186	79,206
Total	11,658,309	9,749,602
Hawkeye-Sec.	3,058,513	3,219,344
Industrial, Iowa	6,385,166	5,350,627
Northeastern	1,877,322	1,835,748
Total	11,321,001	10,405,719
Pacific, N. Y.	3,876,241	3,502,424
Bankers & Ship.	3,403,529	3,075,299
Jersey	2,174,477	1,964,774
Total	9,454,247	8,542,497
U. S. Fire	4,090,776	2,962,785
North River	2,052,164	1,541,529
Westchester	2,253,490	1,636,990
British Amer.	219,208	167,084
Western, Can.	396,365	303,198
Southern, N. C.	272,295	203,791
Total	9,284,298	6,815,377
Northwest Natl. Cas. ..	5,983,247	4,599,563
Northwestern Natl.	3,099,114	2,488,352
Total	9,082,361	7,087,915
Springfield F. & M.	7,444,074	6,511,807
New England	902,312	789,309
Mich. F. & M.	676,734	591,981
Total	9,023,120	7,893,097
General Reins.	8,121,982	7,648,397
North Star Reins.	880,146	731,840
Total	9,002,128	8,380,237
Fire Assn.	6,856,771	5,563,615
Reliance	1,713,954	1,390,553
Total	8,570,725	6,954,168
Lond. & Lanc. Ind.	4,791,132	4,751,719
Standard Marine	1,112,023	1,197,623
London & Lanc.	1,028,745	1,674,900
Orient	649,791	676,525
Safeguard	270,732	281,827
Law Union & Rock	216,643	225,495
Total	8,069,066	8,807,988
Merchants Indem.	5,951,855	4,591,608
Merchants, N. Y.	1,859,809	1,724,017
Wash. Assur.	....	129,217
Total	7,811,664	6,444,842
Conn. Ind.	4,237,348	3,722,981
Security, Conn.	3,331,532	3,121,266
Total	7,568,880	6,844,247
Gulf	6,243,962	5,109,301
Atlantic, Tex.	1,017,404	740,835
Total	7,261,366	5,850,136
National Union	6,001,975	4,837,202
Nat'l. Union Ind.	353,056	1,575,896
Birmingham, Pa.	706,114	537,465
Total	7,061,145	6,950,563
Northern, N. Y.	5,640,728	5,138,383
Assurance, Am.	1,269,214	1,039,669
Total	6,909,942	6,178,052
Anchor Cas.	5,696,830	5,496,147
Queen City	773,874	481,056
Total	6,470,704	5,977,203
Prov. Wash. Ind.	1,201,721	770,955
Prov. Wash.	5,264,169	5,581,928
Total	6,465,890	6,352,883
New Hampshire	3,425,817	2,901,893
Granite State	966,257	818,482
Amer. Fidelity, Vt.	2,046,688	1,748,337
Total	6,438,762	5,468,712
N. J. Mfrs. Assn. Cas. ..	42,191	800,107
N. J. Mfrs. Ind.	5,981,065	3,891,648
Total	6,023,256	4,691,755
Pennsylvania	1,771,451	1,527,026
North British	1,635,185	1,409,563
Commonwealth	817,593	704,781
Mercantile	817,593	704,781
Homeland	408,796	352,390
Total	5,450,618	4,698,541
Selected Risks Ind.	4,884,695	3,648,467
Selected Risks	556,391	338,508
Total	5,441,086	3,986,975
Sun Indemnity	2,815,581	2,810,760
Sun	1,753,601	1,786,660
Patriotic	408,372	269,838
Sun Underwriters	240,219	242,400
Total	5,217,773	5,109,658
Car & General	2,738,065	2,783,444
Royal Exchange	926,496	704,992
Provident	787,071	624,332
State, England	3,617	5,175
Total	4,455,249	4,118,043
Pa. Mfrs. Assn. Cas.	4,042,056	3,470,487
Pa. Mfrs. Assn.	379,341	370,079
Total	4,421,397	3,840,566
Globe & Rutgers	2,101,383	1,711,057
State of Pa.	825,117	684,442
Amer. Home	618,274	569,885
Total	3,544,774	2,965,384
Pearl Assur.	1,509,853	1,318,650
Eureka-Security	1,281,762	1,121,052
Monarch Fire	397,330	347,013
Total	3,188,945	2,786,715

Stock Fire Auto Experience for 1953

	1953 Earned Prems. $	1953 Incurred Losses $	1953 Loss Ratio %	1953 Incr. or Dec. in Prems. $	1952 Earned Prems. $	1952 Incurred Losses $	1952 Loss Ratio %	1952 Incr. or Dec. in Prems. $
Seaboard F. & M. ..	419,261	180,726	42.9	4,512	414,749	205,262	50.1	30,286
Security, W. Va.	248,915	122,689	49.2	44,379	204,536	135,088	66.2	—35,513
Serv. Cas.	21,553,049	10,822,247	50.2	—2,442,297	23,995,346	14,161,042	59.5	3,512,299
Serv. Fire	42,239,168	22,948,833	54.3	1,801,795	40,437,373	23,878,419	56.6	1,489,419
Skandia	206,531	100,160	48.5	—119,688	326,219	137,633	42.2	121,189
Skandinavia	33,643	13,361	39.6	4,476	29,167	14,368	48.5	—162
So. Carolina	557,954	312,306	56.0	21,862	536,092	270,635	50.3	84,331
S. E. Fidelity, Ga...	15,968	5,604	35.2	—48,398	64,366	37,499	58.3	—11,477
Southern Amer.	82,291	32,172	39.0	—9,109	91,400	41,952	45.8	—5,456
Southern, Tex.	524,172	249,555	47.5	46,702	477,470	247,937	51.8	115,062
Southwest, Tex.	502,706	271,962	54.0	77,907	424,799	250,785	58.8	51,395
Stand., Conn.	496,070	194,081	39.1	55,459	440,611	173,616	39.3	46,842
Standard Mar.	1,112,023	495,543	44.6	—85,600	1,197,623	750,108	63.0	203,066
State, England	3,617	1,749	48.2	—1,658	5,275	2,740	52.0	—1,174
Stuyvesant	6,587,340	3,764,748	57.2	—1,313,440	7,900,780	5,517,661	70.0	750,347
Sun	1,753,601	756,901	43.2	33,060	1,786,661	798,776	44.8	100,041
Sun Und.	240,219	103,913	42.9	—2,181	242,400	112,738	45.9	—58,972
Texas Standard	156	213	136.5	—12,887	13,043	5,726	44.0	—27,741
Transportation	....	—4,010	......	—17,887	17,887	2,322	12.9	—41,093
Travelers Fire	18,695,954	5,946,112	43.7	941,527	12,754,427	5,433,230	43.0	1,080,938
Tri-State, Okla.	89	—68	......	—2,924	3,013	484	15.9	—36,360
Twin City	277,839	123,909	44.4	14,760	263,079	126,650	47.8	32,267
Twin States, N. C...	2,144,411	1,238,083	57.4	....	....	....	......	....
Underwriters, Ill. ..	1,954	878	45.0	—7,763	9,717	9,097	91.5	—8,013
Un. & Phenix	70,158	24,730	35.2	—10,969	81,127	36,032	44.2	1,478
Union, Ala.	495,804	304,720	61.4	117,946	377,858	234,783	62.3	145,486
Union Marine	111,296	40,303	36.3	—43,683	154,979	59,965	38.9	—101,335
Unit. Firemns.	144,243	53,194	36.9	—43,945	188,188	72,813	38.8	—123,501
Unity Fire	17,585	8,438	47.1	138	17,447	6,638	38.0	2,762
Universal, N. J.	985,226	439,569	44.6	—232,317	1,217,543	781,325	64.5	158,982
Urbaine	69,064	26,162	37.8	—15,907	84,971	38,074	43.7	1,456
Utah Home	278,403	147,471	52.8	99,206	179,197	98,703	55.3	982
Wash. F. & M.	761,231	400,157	52.5	—40,530	801,761	486,183	59.0	134,060
Wash., N. Y.	Merged in Merchants, N. Y.				129,217	47,041	36.5	—44,438
West. & Ky.	57,578	26,388	45.7	600	56,978	27,708	48.8	13,688
Western, Kan.	7,260,541	3,286,712	45.2	701,139	6,559,402	3,074,408	48.0	993,440
Western States, Neb.	39,991	15,056	37.6	2,264	37,727	8,209	21.7	11,142
Worksmens, Cal.	351,560	158,617	45.0	—56,306	407,866	194,506	47.7	—142,000
Totals	601,143,054	300,735,654	50.0	36,748,780	562,671,320	298,581,379	54.0	44,394,260

*Formerly Southern F. & M.

Increase is for companies in above table this year. Figures for 1952 are for companies in the table last year.

Declines to Reform Policy but Awards on Agent's Negligence

In Tanner vs. Home, the U. S. district court held for insured in a case involving a request by insured to increase the amount of insurance on a stock of chicken feed bags from $10,500 to $29,902. Tanner carried a monthly reporting form to cover fluctuating inventories.

Tanner was in the business of cleaning and refurbishing used feed bags at Gainesville, Ga., and prior to the fire had made an arrangement to handle a large number of bags for one customer. This pushed his stock of bags to a considerably higher value than usual. He told a member of a local agency to increase the insurance. This the agent failed to do.

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The court pointed out that in Georgia, by statute, a fire insurance contract must be wholly in writing and not partly in parol, and must express the essentials of the contract, indeed, the entire contract. Tanner sought a recovery by having the policy reformed. But under Georgia law, the court said this could not be done in this case.

However, the court held the agent was guilty of negligence or fraud and that Tanner was injured thereby. The court was unwilling to hold that Tanner was without remedy.

While the court did not find other cases in Georgia which assert the insurer's liability for tort for the fraud or negligence of its agent failing to issue a contract of insurance as agreed, there is general authority for the view that insurers act under a franchise from the state and are affected with a public interest. This is true in Georgia. They are under a duty to act upon an application for insurance and within a reasonable time. A violation of this duty which results in damages subjects the company to liability for negligence.

The court further pointed out that the agent had access to the policy in order to effect the endorsement increasing the insurance, it was the general practice for the insurer to issue such endorsements and deliver them to insured by mail or in person so insured might attach them to the policy. This practice constituted a waiver on the part of Home and stopped it from denying the authority of its agent upon whose conduct and representations insured relied to its detriment. (CCH Fire & Casualty Reports, 302,201.)

NAIC Unit Prepares Reports on Reinsurance

(CONTINUED FROM PAGE 1)

peculiar to his state. Under this point of view, credit in accounting and financial statements on account of reinsurance ceded should be based upon the actual value of the reinsurance and the security underlying its collectability and not on the license status of reinsurer. His recommendation also calls for furnishing by the chairman of Lloyds to the department of insurance a copy of the certificate which he furnishes at the end of each year to British Board of Trade, the furnishing of a copy of the certificate with regard to underwriting members of Lloyds, similar to the certificate furnished to insurance department of Illinois, and a confirmation to insurance commissioners of the amount of funds on deposit in the American trust account, to be furnished Dec. 31 each year.

The majority report would allow credit for reinsurance of all alien reinsurers only to the extent of the amount of deposits by and funds withheld from alien reinsurers, pursuant to the express provision in the reinsurance contract as security for the payment of obligations thereunder if such deposits or funds are held subject to withdrawal by and under the control of the ceding insurer or placed in trust for such purposes in a bank a member of the federal reserve system if withdrawals from such a trust cannot be made without the consent of the ceding insurer.

American, N. J., Opens Canadian Department

American of Newark has opened a Canadian department with main offices at Toronto and a branch office in Quebec. Adam McBride is manager at Toronto and Moreton. J. Fitzhardinge is manager at Montreal for the Quebec branch. General agents now represent the company in provinces other than Quebec and Ontario.

The department's staff, all Canadians, include William J. Miller, superintendent of the fire department, J. O. Kimpton, chief accountant and office manager, Fred S. Staines, special agent, and W. J. Page, superintendent of the casualty and inland marine department.

Mr. McBride has been an inspector in Manitoba, Saskatchewan and Alberta for Caledonian, branch manager in Alberta and British Columbia for Eagle Star and assistant manager for Canada for that company, and manager for Canada for Great American.

Mr. Fitzhardinge has been an inland marine and casualty underwriter as well as superintendent of casualty and inland marine for Great American. Mr. Miller formerly was fire underwriter at Toronto for the Canadian group. He is a graduate of insurance institute of Winnipeg. Mr. Kimpton has been chief accountant of Eagle Star. Mr. Staines most recently was with the Pearl, and Mr. Page has had insurance experience in eastern and western Canada.

M. & M. Names Duguid

Raymond B. Duguid has been appointed assistant secretary and sales manager of Manufacturers & Merchants Indemnity and its subsidiary, Selective Ins. Co. He has been more than 20 years in the casualty and fire field. Most recently he was Atlantic division sales manager for American Mutual Liability in Philadelphia. A graduate of Cooper Union School of Engineering, he is a CPCU.

North British Moves Roberts, Names Aitchison Successor

In line with its decentralization program and to provide quicker on-the-spot service at branch offices, North British is transferring John H. Roberts from Chicago to Detroit as superintendent of the marine department for the Michigan-Ohio department, under A. G. Barker, secretary and manager. He will underwrite and produce inland and ocean marine business, including yachts.

V. W. Aitchison succeeds Mr. Roberts as superintendent of the western marine service office, under Secretary C. L. Day. Mr. Aitchison has had experience in the inland marine business since 1930, including service in Chicago with Appleton & Cox and Wm. H. McGee & Co. Most recently he was Illinois state agent for Scottish Union.

Mr. Roberts opened the central-western marine service office in Chicago four years ago and has had more than 25 years of experience with companies and agencies, most of it in inland and ocean marine underwriting and promotion.

American Has Retirement Party for John Munson

John B. Munson of American of New Jersey, Chicago, was given a cocktail party and dinner by the company at the Union League Club there June 1 to commemorate his retirement. Arrangements were under the supervision of J. P. Hoffman, American's Cook county supervisor.

On from the western department home office in Rockford, Ill., was John G. McFarland, western department manager; Harold Cutting, Horace Cath, Ralph Schaff, William Soderstrom, and Al Cowan.

Among the guests from the Chicago office were Raymond Burke, Irving Crumley, Roy Meinke, Robert Peterson, Burt Andrews, Dave Murphy, Dick Cronin, Fred Aten, and Dan Elliott, recently retired.

Mr. Munson, who was vice-president of Bankers Indemnity previous to its being taken over by American, was presented by Mr. McFarland on behalf of his associates and members of the home office with a gold watch properly inscribed to mark the occasion.

MFA Mutual Names Lang

Howard B. Lang, Jr. has been named vice-president in charge of claims of M.F.A. Mutual. He has headed the claims department since 1949. A graduate of the University of Missouri law school, he is chairman of the claims arbitration committee of Conference of Mutual Casualty Companies, and he is a former prosecuting attorney for Boone county, Mo., and at present is serving as mayor of Columbia.

Premium Financing Is Back In Massachusetts

Premium financing, which virtually disappeared in Massachusetts a year ago, will be practicable as a result of emergency legislation removing the business from the restrictions of the small-loan act. The small-loan act exempts a "seller" from the interest limits of the law, and heretofore under the act, the seller was an insurance company but not an agent or broker.

The legislation states that for the purpose of financing premiums and sale of notes to a third party, insurance agents and brokers are to be considered seller, thus exempting them.

Legislation provides that rates and charges are to be set by a three-man board of state officials, the attorney general, insurance commissioner and bank commissioner. The legislation, is immediately effective but finance charges must be established at a public hearing before the premium finance firms go back into business. This may take a week or two.

Some 1954 auto business may be written on cars which come on the road in May and June. Compulsory insurance written in January should be paid for by now, and short-term business after July 1 is considered unduly risky from the credit standpoint.

24 Western Adjusters Attend Chicago Seminar

Twenty-four of Western Adjustment's branch managers and senior adjusters participated in the first business interruption seminar of the year May 26-28 at the head office in Chicago.

Business interruption forms and adjustment procedures were discussed under the direction of Executive Supervisor D. G. Stentz and Executive General Adjuster J. L. Sybrandt.

Accounting fundamentals and the principles applicable to business interruption losses were reviewed by Richard Greenberg from the accounting firm of Johnson-Atwater & Co.

American States Names Three

Three executive vice-presidents of American States Ins. Co. were elected to the board. They are: B. H. Forbed, head of sales and underwriting; E. P. Gallagher, legal department head, and C. E. Wilcox, in charge of administration and claim management.

Among those on hand during the reception given by Lumbermen's Mutual Casualty at the spring insurance conference of American Management Assn. at New York: From the left, Sam Garwood, Jr., Columbus & Southern Ohio Electric Co.; R. P. Palmer, assistant secretary of Lumbermen's Mutual Casualty; Arthur G. Jillette, New England Power Service Co.; C. B. Myatt, Negea Service Corp. of Cambridge, Mass.; James H. Dreyer, Guaranty Trust Co. of New York; George R. Manz, Abbott Laboratories; N. F. Crowley, Merck & Co.; Phillip J. Veith, Hoover Co.; N. C. Flanagin, vice-president of Lumbermens; B. E. Kelley, United States Plywood Corp., and R. S. Bass, A. E. Staley Manufacturing Co., a director of Lumbermens.

Late News Bulletins . . .

(CONTINUED FROM PAGE 1)

loss alone will run almost $500,000. One of the warehouses was said to be about ready for the wreckers. The fire also destroyed a quantity of government owned rubber stored in a warehouse.

River Industrial Co. owned the warehouses and carried $520,000 blanket and $65,500 specific on warehouse number 2.

Phoenix Surprises Employes on Its Birthday

Phoenix of Hartford will present about 1,600 employes in home and branch offices with a $100 savings bond. President John A. North announced the gift at the close of a half day celebration of the company's 100th anniversary, which was held on home office grounds. The celebration started with a luncheon at which the Hartford symphony orchestra played and at which Mr. North cut the first piece out of a cake with 100 candles.

DUDLEY H. COOK, 82, retired vice-president of American Surety, died suddenly at his home in Morristown, N. J. Born in England, he came to the U. S. in 1892. He had been with American Surety since 1900. After serving in various capacities he was elected vice-president in charge of agency and production in 1920. He retired in 1948. He was a director of Canadian Surety.

Note Upsurge of Interest in Broad Dwelling Cover

(CONTINUED FROM PAGE 2)

are several forms available, but that our advice is that such and such a form is best suited to the particular need of the client at hand. Our next client may require some entirely different treatment."

From Long Island came the comment, "The public is not yet confused by the industry's diversity, but *we are*. We seem to have made disorderly progress rapidly." Another Long Islander says there are too many different forms.

A Baltimore agent castigated the present situation as "chaos and confusion" and said it puts insurance men in a daze.

A California producer, representing a large agency, said that important requirements from his viewpoint—in addition to desirable coverage and rates—are that the form be used by all companies in the office, that it not be underwritten selectively and that it be applicable to the maximum number of clients (not being restricted to owner-occupied dwellings, to single family units, etc.). He predicted that eventually there will be one broad form, with the *all risks* approach, and one *package policy*.

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In general, it was clear that the criticism of diversity was founded upon confusion in the minds of insurance men themselves. Obviously, they feared that the public would become irreparably confused, when they were not able to unravel details themselves. Many letters came from producers in territories where only one type of form was available—some from territories where no developments had yet occurred.

It seemed possible that some of the agents and brokers might be converted to the stand of those who think it is a good thing to have various contracts available. Familiarity with the types of forms could breed respect, temper criticism.

Few of the comments dealt with particulars of coverage. However, a number of insurance men said they have a real sales problem with any form involving a deductible. One said he is having some success with Homeowners policy B. but, with insured who have previously carried residence and outside theft insurance, the exclusion of mysterious disappearance is a serious objection.

There is general enthusiasm over the SHO form. One insurance man has been telling his customers he can provide all of the coverage they need in four policies—fire insurance on the dwelling, with EC and AEC, a PPF, auto physical damage and auto liability. He writes that he has always wanted to be able to say that the coverage provided this way gives *all risks* protection, but, as to the dwelling, the best he has been able to do is to use one or other of the broader *named perils* forms.

Now, of course, with SHO and whatever other *all risks* forms may develop, he has his wish.

Several producers raised this problem: would it ever be wise to sell a package policy to a client who now carries a PPF? He has been sold on the *all risks* idea—how is he going to be unsold, assuming, of course, that the insurance man thinks it wise to go into this at all?

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Then there is the problem of premium size. If the insurance man uses a package contract, he has a premium to present which will be man-sized by almost any standards. True, some installment arrangements are available, but there are objections to these, including those of producers who say their customers prefer to buy in pieces —picking up coverages as they feel they can afford them.

The agent or broker who has had his claims problems may share the worry of an Illinois insurance man. Suppose, he says, the insured is dissatisfied with the way he is handled, say, on a CPL loss. If he is badly enough annoyed and coverage has been written in a package, the producer is minus not just a CPL premium—the entire line is gone.

Then, asks another correspondent, suppose the agent really sells his clients on a particular form, convinces them, as he should, that this is the best contract for their needs. If the contract is written by only one company and the producer's connections with that company are severed, where does the agent turn?

Another question which came up—and this was asked by agents who obviously had interests at opposite poles—is what are the possibilities when mortgages are involved? One agent asked, "Does this mean the mortgage house insurance man is now going to be handling these complicated forms?" While another points out that the new forms and policies create the opportunity to get better premiums for business which comes in through the loan department of his organization.

Almost without exception, insurance men questioned are convinced at least one personal sales visit will be essential.

An executive of a large Illinois agency said his organization would handle only one type of contract—SHO in this case—to avoid becoming a "two price house." Practically all agents and brokers said they would decide which contract to present to a particular insured, in advance.

Some said the sales approach on an *all risks* contract is difficult—that the term is a misnomer. Many, however, pointed out that once the reasons behind exclusions are explained to the insured's satisfaction, he will share the insurance man's enthusiasm for such coverage.

Willet Named President of Virginia C&S Assn.

V. L. Willet, Bituminous Casualty, Richmond, Va., was elected president of Casualty & Surety Underwriters Assn. of Virginia at its annual meeting in May. He succeeds Dalton B. Curtis of Employers group.

Other officers elected were: S. C. Juiffre, Fidelity & Casualty, vice-president; R. E. Burton, Hartford Accident, secretary; J. F. Morano, National Surety Corp., treasurer; J. F. Hood, Home Indemnity, assistant treasurer, and J. W. Dalston, Royal Indemnity, executive committee member.

The speaker was W. A. Simonson, resident manager, Middle Department, Employers group.

Holm Is State Agent for Crum & Forster

William L. Holm was recently appointed state agent for the Crum & Forster group in Minnesota to succeed R. R. Hayes who was transferred to the home office as assistant vice-president.

Mr. Holm, after marine corps service in the last war and attending the University of Minnesota, went with Crum & Forster's Minneapolis service office in 1947. He later attended the company's field training and underwriting school at the western department office in Freeport, Ill., and then went to Detroit, becoming special agent for Minnesota in 1949.

New St. Louis Agency

A new general insurance agency, Buschman, Jennings, Trout, Inc., with offices at 4245 Lindell boulevard, St. Louis, will start business July 1. Stockholders in the new agency will be Edgar M. Jennings, former chairman of General Insurors, Inc.; L. H. Trout, who has been president of General Insurors and a past-president of the St. Louis Board and Missouri Assn. of Insurance Agents, and is now a member of the metropolitan agents' committee of the National association; C. W. Buschman, who has been executive vice-president of General Insurors; Robert Wehner, vice-president of General Insurors; James Trout, son of L. H. Trout, and a director of General Insurors, and S. A. Dirnberger, who has been superintendent of the casualty department of General Insurors.

General Insurors will continue in business without interruption when Jennings, Buschman, Dirnberger and the Trouts leave to start their own agency. The severance is brought about by the greater personal opportunities this group feels are offered them by the formation of a new agency.

Davis Heads New Illinois A&H Assn.

Roy Davis, Illinois Mutual Casualty, Peoria, was elected president of the newly-formed Illinois A&H Underwriters Assn. at its organizational meeting at Springfield. The new association was formed by representatives of the Chicago, Rockford, Peoria, and Springfield associations. William G. Coursey, managing director of the International association, participated in its formation.

Immediately following the meeting, representatives visited the state house where Director Robert Barrett congratulated them on what he termed a strong step toward greater recognition for the A&H business in Illinois.

Other officers are Deems Maupin, Business Men's Assurance, Springfield, and Irving Wessman, Loyalty Group, Chicago, vice presidents and Robert Hines, Mutual Benefit, Rockford, secretary.

Elected directors were William Eyre, Illinois Mutual Casualty, Peoria; Ray Case, Mutual Benefit, Springfield; William Manzelman, North American Accident, Chicago, and William Hayes, Mutual Benefit, Rockford.

Marine Office Opens in Canada

Marine Office of America has opened a new Canadian office at 111 Richmond Street West, Toronto. John A. Potts, who has been in marine insurance in Toronto, has been named manager. The office will serve all of Canada except British Columbia.

F.&D. Makes Several Field, Branch Changes

Fidelity & Deposit has appointed Roy E. Julie, Jr., assistant manager at Richmond, to a similar post at Baltimore.

F. Hugh Wiley, assistant manager at Spokane, has transferred to Denver as successor to assistant manager Cosby D. Thomas, who has resigned to join a local agency.

Edwin L. Worthington has been promoted from special agent at Baltimore to assistant manager at Omaha. Special Agent Raymond E. Pierce has transferred from Memphis to Boston and John F. Dezell, solicitor at New York, was named special agent in Cleveland.

Chappelear Heads New Hartford Pond

Hartford Pond of Blue Goose has been organized with C. W. Chappelear, assistant U. S. manager London & Lancashire, as most loyal gander; Robert W. Criswell, assistant secretary Automobile, supervisor; Joseph Sorge, assistant secretary Caledonian, custodian; R. E. Farrer, secretary National Fire, guardian; G. S. Tompkins, U. S. Manager Scottish Union, keeper, and Harold N. Pierson, Factory Insurance Assn., wielder.

Past Most Loyal Grand Gander Joseph R. Knowlan, Philadelphia, represented the grand nest in the organization of the pond. Initiative in its formation was taken by Mr. Criswell. The charter will be held open for signatures until the next meeting in September. It is expected that membership will reach 150 by that time.

Mrs. G. M. Link, vice-president and treasurer of the Apex Mutual, 166 West Jackson boulevard, Chicago, returned to active duty May 20 following a six-week vacation spent in Tucson, Ariz.

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